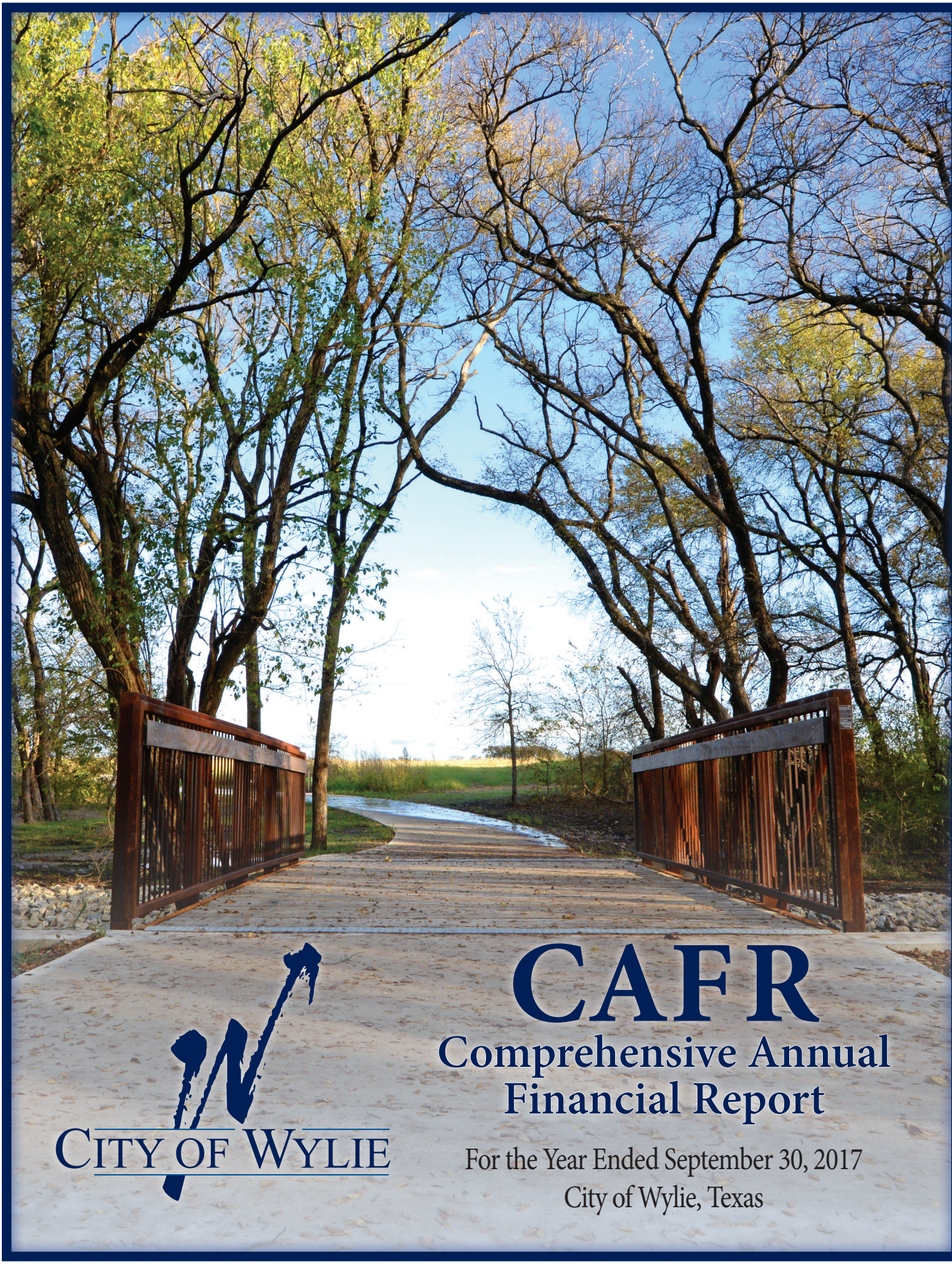

CITY OF WYLIE

# CAFR

## Comprehensive Annual Financial Report

For the Year Ended September 30, 2017

City of Wylie, Texas

# CITY OF WYLIE, TEXAS
# COMPREHENSIVE ANNUAL FINANCIAL REPORT

## FISCAL YEAR ENDED
## SEPTEMBER 30, 2017

## AS PREPARED BY THE
## FINANCE DEPARTMENT

**CITY OF WYLIE, TEXAS**
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2017**

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CITY OF WYLIE

**Our Mission...**
*...to be responsible stewards of the public trust, to strive for excellence in public service and to enhance the quality of life for all.*

January 23, 2018

The Honorable Eric Hogue, Mayor
Members of the City Council
And the Citizens
City of Wylie, Texas

Financial policies of the City of Wylie require that the City's Finance Department prepare a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Accordingly, the Comprehensive Annual Financial Report (CAFR) for the City of Wylie, Texas for the fiscal year ended September 30, 2017, is hereby issued.

This report consists of management's representations concerning the finances of the City. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making the representations, management of the City has established a comprehensive internal control framework that is designed both to protect the City's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute assurance, that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City's financial records have been audited by Weaver LLP, Certified Public Accountants, as required by the City Charter. This CAFR has been prepared based upon those audited records. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for the fiscal year ended September 30, 2017, are free of material misstatement. This independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City's financial statements for the fiscal year ended September 30, 2017, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the report of the independent auditor.



300 Country Club Drive • Wylie, Texas 75098 • 972.516.6000 • www.wylietexas.gov

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**Profile of the City**

The City of Wylie is located in the south central portion of Collin County, approximately 23 miles northeast of downtown Dallas. Incorporated in 1887, the City adopted its Home Rule Charter on January 19, 1985, and operates under a council-manager form of government. The City Council is comprised of a Mayor and six council members. All members are elected at-large on a staggered and nonpartisan basis for three-year terms. They are responsible to enact local legislation, provide policy, and annually adopt the operating budget. They appoint the City Manager, City Attorney, Judge of the Municipal Court and members of various boards and commissions. The City Manager, under the oversight of the City Council, is responsible for the proper administration of the daily operations of the City.

The City provides a full range of municipal services including general government, public safety (police, fire, and emergency communications), streets, library, parks and recreation, planning and zoning, code enforcement, animal control, and water and sewer utilities. Sanitation services are provided by the City but are privately contracted. The Wylie Economic Development Corporation (WEDC) is included in the financial statements as a discrete component unit. Its purpose is to aid, promote and further economic development within the City. The Wylie Park and Recreation Facilities Development Corporation (4B Corporation) is also combined within the financial statements of the City. Both WEDC and the 4B Corporation are primarily funded with sales tax revenues. Both corporations are discussed more fully in the notes to the financial statements.

The annual budget of the City serves as the foundation for its financial plan and control. The budget is proposed by the City Manager and adopted by the City Council in accordance with policies and procedures established by the City Charter, ordinances and state law. The budget process begins each year with a budget message from the City Manager highlighting the objectives to be used in developing departmental budgets. The departmental budgets are then reviewed by the City Manager and a proposed budget is prepared for presentation to the City Council. The City Council reviews the budget in subsequent work sessions and a formal budget is prepared and made available to the public for review by August 5th each year or a date to be determined by the City Council. Prior to official adoption of the budget by Council, a public hearing on the proposed budget is held to allow for public input. Of the twenty-five governmental funds the City maintains, thirteen of them are annually appropriated. These include the General Fund, nine of the Special Revenue Funds and the three Debt Service Funds.

**Factors Affecting Financial Condition**

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City of Wylie operates.

Local economy

Fast paced growth continues throughout the City. After the City's growth underwent a slowdown which went hand in hand with the nationwide economic downturn, there was a much improved environment in Fiscal Year 2013. The growth rate began improving in Fiscal Year 2013, and has continued to be very strong since Fiscal Year 2015. The 2017 population of the City has been estimated at about 50,460. This represents a 5% growth over the previous year's population which was 47,776. The growth is also evidenced in residential construction. Residential construction permits ended the year stronger than the previous year's total of 427 permits. For the year ending September 30, 2017, the City issued 576 permits. This continues the strong issuance of building permits that first began in Fiscal Year 2013. The economy remains strong and this is also evidenced in the tax base. When both residential and commercial growth is considered, our total tax base increased by 13.8% over the previous year. Our freeze adjusted taxable assessed value this year, as provided by the Collin Central Appraisal District, Dallas Central Appraisal District and Rockwall Central Appraisal District, was $3,325,563,066.

The City's growth continues at a rapid pace and an extremely favorable economic environment exists. The City was ranked number 20 in Money Magazine's Top Places to Live in the United States. The National Association of Realtors named Wylie the Second Best Suburb in the U.S. and Realtor.com recognized the fast pace of housing sales in Wylie by naming it the Second Hottest Suburb in the United States.

The City continued its recovery from the two severe hail storms it experienced during the spring of 2016. 80% of buildings throughout Wylie experienced damage with a dollar value of approximately $4 billion in damage. The rebuild and repair process, including the City and its facilities, approached completion. The City's Senior Recreation Center reopened after experiencing significant damage along with other City facilities that had extensive roof damage.

Wylie Fire Rescue dispatched several pieces of apparatus and firefighters to assist with hurricane relief along the Texas coast when a hurricane made landfall and caused severe flooding and damage in many cities. Included in this deployment was the City's hovercraft and a boat with six members of the Swift Water Rescue Team. Plans continued for the building of a 7500 student campus of Collin College which will open in 2020. This will significantly increase the daytime population in the City thus making it more appealing to small and mid-size businesses in addition to restaurants and retailers.

Long-term financial planning

In 2006, the City developed a Long-Range Financial Plan. The plan included street and park improvements, a new city hall, library, fire station, recreation center and sidewalks. The voters of the City of Wylie authorized the City to issue $73,950,000 in General Obligation Bonds to fund this capital improvement program. The first series of General Obligation bonds were sold in late March of 2006 and the remaining bonds were sold in August of 2008. Since that time the City has refunded various bond issues to obtain more favorable interest rates. Certificates of Obligation in the amount of $7,175,000 were sold in Fiscal Year 2017 that will provide funding for new capital assets in the City's water storage and metering systems.

Fiscal year 2017 saw the continuation of much needed road improvements that are important to accommodate the growth of the City. A second section of walking trail which allowed connection of two major City streets also opened near the Municipal Complex. As a part of the City's public arts program, a new sculpture was added at the entrance to the Municipal Complex walking trail and two additional pieces are currently being fabricated.

Various awards came to the City throughout the year. The security organization SafeWise named Wylie as the ninth Safest City in Texas. In addition Wylie Fire Rescue was awarded the Best Practices recognition from the Texas Fire Chiefs Association.

Relevant financial policies

During Fiscal Year 2017, the City Council approved the Financial Management Policies and no significant changes were made to the previous policies.

Financial policies state that, "It is the goal of the City to achieve and maintain an unassigned fund balance in the general fund equal to 25% of expenditures. The City considers a balance of less than 20% to be cause for concern, barring unusual or deliberate circumstances. If unassigned fund balance falls below the goal or has a deficiency, the City will appropriate funds in future budgets to replenish the fund balance based on a time table deemed adequate by the City Council."

Major initiatives

The City Council worked together to continue efforts on their previously adopted mission, vision and values that are used for strategic planning purposes. The budget for Fiscal Year 2017-18 approved by the City Council reflected a decrease in the property tax rate of $0.0679 per $100 of assessed property valuation. This rate was below the City's calculated effective tax rate and was the sixth consecutive year the Council has decreased the tax rate.

**Awards and Acknowledgements**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Wylie for its comprehensive annual financial report (CAFR) for the fiscal year ended September 30, 2016. The City has participated in the program for many years and has been awarded the Certificate numerous times. In order to be awarded a Certificate of Achievement, the government must publish an easily readable and efficiently organized CAFR. This report must satisfy both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report could not be accomplished without the dedicated services of the entire staff of the Finance Department. We would also like to express our appreciation to all staff members who assisted and contributed to the preparation of this report. Acknowledgement is also given to representatives of Weaver, LLP, Certified Public Accountants for their dedicated assistance in producing this report.

Special acknowledgement is given to the City Manager, Mayor and the members of the City Council for their support for maintaining the highest standards of professionalism in the management of the City of Wylie finances.

Respectfully submitted,

Linda Bantz
Finance Director

Melissa Beard
Assistant Finance Director

Government Finance Officers Association

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

**City of Wylie**

**Texas**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

**September 30, 2016**

Christopher P. Morrill

Executive Director/CEO



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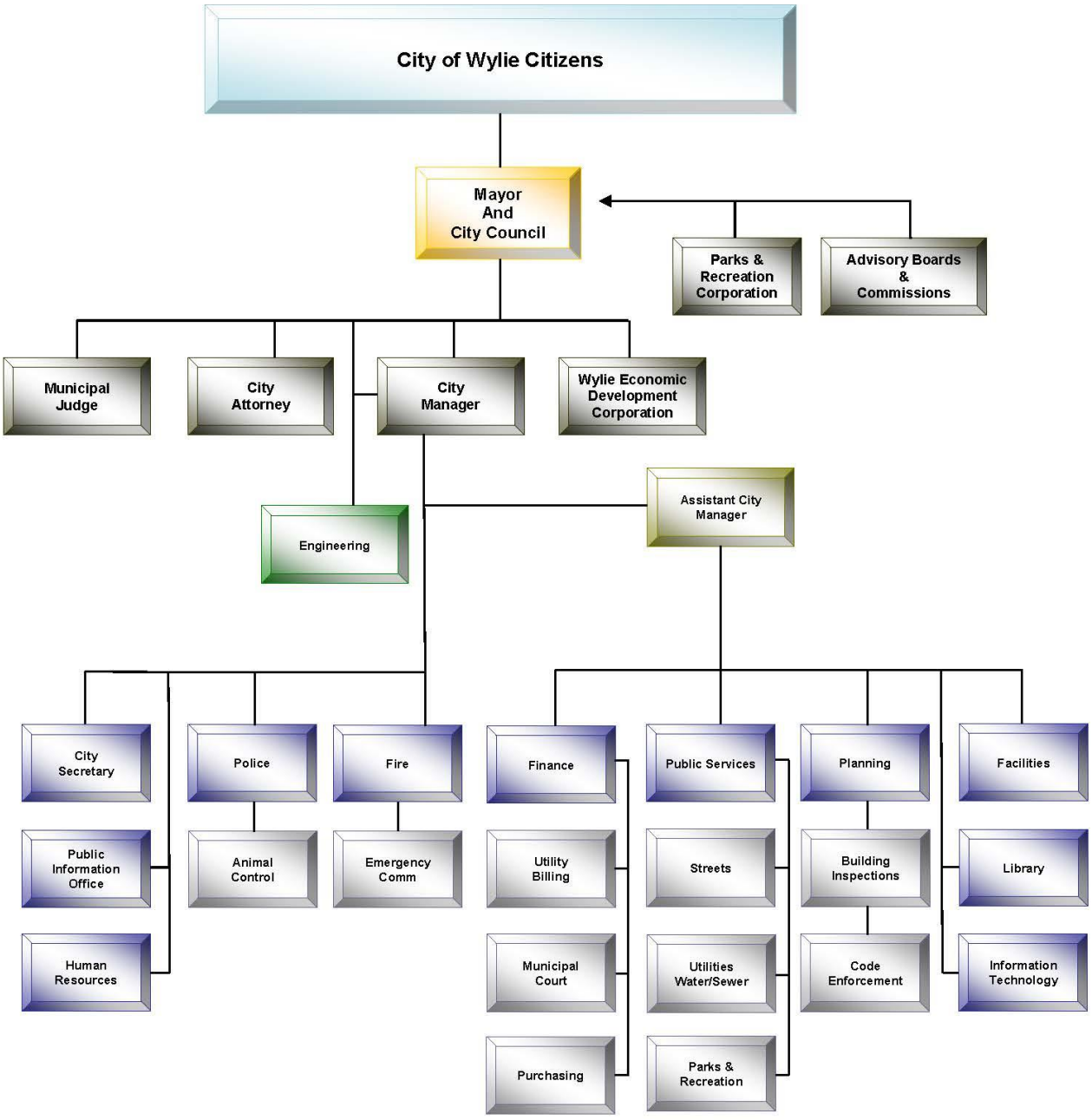
# FY 2017 CITY OF WYLIE
# ORGANIZATIONAL CHART



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# CITY OF WYLIE, TEXAS

PRINCIPAL OFFICIALS
September 30, 2017

**City Council**

Eric Hogue, Mayor
Keith Stephens, Mayor Pro Tem
Diane Culver, Councilmember
Jeff Forrester, Councilmember
Candy Arrington, Councilmember
Dr. Timothy T. Wallis, Councilmember
David Dahl, Councilmember

**City Staff**

Mindy Manson, City Manager
Chris Holsted, Assistant City Manager
Carole Ehrlich, City Secretary
Lety Yanez, Human Resources Director
Linda Bantz, Director of Finance
Anthony Henderson, Police Chief
Brent Parker, Fire Chief
Tim Porter, City Engineer
Mike Sferra, Public Services Director
Rachel Orozco, Library Director
Renae' Ollie, Director of Development Services
Sam Satterwhite, WEDC Director

**Other Appointed Officials**

Weaver, LLP, Auditors
Abernathy, Roeder, Boyd & Hullett, PC, City Attorney
Norton Rose Fulbright US LLP, Bond Counsel
FirstSouthwest, A Division of Hilltop Securities, Financial Advisors

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# FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

Members of the City Council
City of Wylie, Texas

**Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Wylie (the City) as of and for the year ended September 30, 2017, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City, as of September 30, 2017, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

***Other Matters***

*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and Texas Municipal Retirement System pension schedules on pages 5 through 11, 58 through 60, and 61 through 63, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical section, are presented for purposes of additional analysis and are not a required part of the financial statements.

The combining and individual nonmajor fund statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated January 17, 2018, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* the City's internal control over financial reporting and compliance.

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Dallas, Texas
January 17, 2018

CITY OF WYLIE
GULF, COLORADO &
SANTA FE RAILWAY
1887
STATE OF TEXAS

As management of the City of Wylie, we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2017. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages one through four of this report.

**Financial Highlights**

- The unassigned portion of the General Fund fund balance at the end of the year was $16,281,977 or 44% of total General Fund expenditures. This includes the 25% of General Fund expenditures which is required to be held in General Fund fund balance per the City Council approved Financial Management Policies. That amount is $9,340,639. The remainder represents funds which may be used for one-time expenditures or unforeseen needs which the Council allocates for a specific purpose. The unassigned General Fund fund balance can be seen on page 18 of this report on the Balance Sheet-Governmental Funds. It is part of the total General Fund fund balances, September 30, 2017, shown on page 21 of this report on the Statement of Revenues, Expenditures, and Changes in Fund Balance.

- The assets of the City exceeded its liabilities at the close of the fiscal year ended September 30, 2017, by $225,126,831 (net position). Of this amount, $39,219,524 (unrestricted portion of net position) may be used to meet the government's ongoing obligations to citizens and creditors. Included in the unrestricted portion of net position are monies from all the City's various funds which are not either committed to or restricted for other purposes.

- The City's total net position increased by $22,631,969. The effects of that change can be seen in Table 2. The increase is attributable to increases in revenues, particularly property tax revenues, sales tax revenues and intergovernmental revenues.

- The City's governmental funds reported combined ending fund balances of $37,829,549, an increase of $5,494,226 in comparison to the previous year.

- Total bonded debt of the City increased by $703,523 during the fiscal year due to payments on bonded debt and the issuance of Certificates of Obligation that will provide funding for new capital assets in the City's water storage and metering systems.

- Net position increased in the Utility Fund by $4,310,951 in comparison to the previous year. This was due primarily to the increase in revenue from sewer charges, increased water and sewer impact fee revenue and increases in capital contributions.

**Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Government-wide financial statements.** The government-wide financial statements are designed to provide readers with a broad overview of the City of Wylie's finances. This is done in a manner similar to a private-sector business. Two statements, the Statement of Net Position and the Statement of Activities, are utilized to provide this financial overview.

The Statement of Net Position presents information on all of the City's assets and deferred outflows of resources and liabilities and deferred inflows of resources with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The Statement of Activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flow. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide statements distinguish between governmental activities and business-type activities. Governmental activities basically account for those activities supported by taxes and intergovernmental revenues. On the other hand, business-type activities are basically supported by user fees and charges. Most City services are reported in governmental activities while business-type activities are reported in the Enterprise Fund.

The government-wide statements include not only the City but also a discrete component unit, the Wylie Economic Development Corporation (WEDC). Although legally separate, WEDC is financially accountable to the City.

**Fund financial statements.** The City, like other state and local governments, utilizes fund accounting to ensure and demonstrate compliance with finance-related legal requirements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. All of the funds of the City can be divided into two categories: governmental funds and proprietary funds.

*Governmental funds*. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains twenty-five individual governmental funds. Information is presented separately in the Governmental Fund Balance Sheet and in the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances for the General Fund and the General Obligation Debt Service Fund. All Capital Projects Funds are combined for a single, aggregated presentation. Data from the other non-major funds are also combined and reported in a single column. Individual fund data for each of the non-major governmental funds is provided in the form of combining statements elsewhere in this report.

*Proprietary funds.* The City maintains one type of proprietary fund, an enterprise fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses an enterprise fund to account for its water and sewer operations.

Proprietary funds financial statements provide the same type of information as the government-wide financial statements, only in more detail.

**Notes to the financial statements.** The notes provide additional information that is essential to gain a full understanding of the data provided in the government-wide and fund financial statements

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information. Required supplementary information can be found after the notes to the financial statements.

### Government-Wide Financial Analysis

At the end of fiscal year 2017, the City's net position (assets exceeding liabilities) totaled $225,126,831. This analysis focuses on the net position (Table 1) and changes in net position (Table 2).

**Net Position**. The largest portion of the City's net position, $174,637,053, or 77.57%, reflects its investment in capital assets (land, buildings, improvements other than buildings, machinery and equipment, construction in progress), less any related debt used to acquire those assets that is still outstanding. The City uses these assets to provide services to its citizens; consequently, these assets are not available for future spending. Although the City reports its capital assets net of related debt, the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position, $11,270,254, or 5.01% represents resources that are subject to external restrictions on how they may be used. The unrestricted portion of net position which is $39,219,524 (17.42%) may be used to meet the government's ongoing obligations to citizens and creditors.

**Table 1**
**Condensed Statement of Net Position**

| | Governmental Activities | | Business-type Activities | | Total | |
|---|---|---|---|---|---|---|
| | 2017 | 2016 | 2017 | 2016 | 2017 | 2016 |
| Current and other assets | $ 42,432,836 | $ 38,353,406 | $ 29,107,431 | $ 19,403,423 | $ 71,540,267 | $ 57,756,829 |
| Capital assets | 205,850,851 | 199,112,864 | 55,604,907 | 54,204,874 | 261,455,758 | 253,317,738 |
| Total Assets | 248,283,687 | 237,466,270 | 84,712,338 | 73,608,297 | 332,996,025 | 311,074,567 |
| Deferred outflows of resources | 10,708,701 | 8,420,487 | 865,924 | 620,466 | 11,574,625 | 9,040,953 |
| Long term liabilities | 99,567,819 | 103,243,678 | 14,459,797 | 7,749,322 | 114,027,616 | 110,993,000 |
| Other liabilities | 3,464,978 | 4,966,743 | 1,792,827 | 1,460,936 | 5,257,805 | 6,427,679 |
| Total liabilities | 103,032,797 | 108,210,421 | 16,252,624 | 9,210,258 | 119,285,421 | 117,420,679 |
| Deferred inflows of resources | 144,419 | 182,182 | 13,979 | 17797 | 158,398 | 199,979 |
| Net Position: | | | | | | |
| Net investment in capital assets | 131,493,684 | 120,169,208 | 43,143,369 | 48,313,914 | 174,637,053 | 168,483,122 |
| Restricted for debt service | 820,559 | 675,565 | - | - | 820,559 | 675,565 |
| Restricted for capital projects | - | - | 7,125,122 | 5,883,377 | 7,125,122 | 5,883,377 |
| Restricted for economic development | 2,992,341 | 2,345,435 | - | - | 2,992,341 | 2,345,435 |
| Restricted for tourism | 223,937 | 190,974 | - | - | 223,937 | 190,974 |
| Restricted for other | 108,295 | 96,774 | - | - | 108,295 | 96,774 |
| Unrestricted | 20,176,356 | 14,016,198 | 19,043,168 | 10,803,417 | 39,219,524 | 24,819,615 |
| Total Net Position | $155,815,172 | $137,494,154 | $ 69,311,659 | $ 65,000,708 | $ 225,126,831 | $202,494,862 |

**Changes in Net Position**. The net position of the City increased by $22,631,969 for the fiscal year ended September 30, 2017.

*Governmental Activities.* Governmental activities increased the City's net position by $18,321,018 from the prior year. This was due in part to an increase in ad valorem tax revenues, sales tax revenues and capital leases issued in addition to funds recovered from the City's insurance company.

*Business-type Activities.* Net position from business-type activities increased by $4,310,951 from the prior year. Increased utility revenues from the growth of our customer base are partially responsible for this increase in net position. However, increased revenue from sewer charges, increased water and sewer impact fee revenue and increases in capital contributions also played a role in our increase in net position since the prior fiscal year.

**Table 2**
**Changes in Net Position**

| | Governmental Activities | | Business-type Activities | | Total | |
|---|---|---|---|---|---|---|
| | 2017 | 2016 | 2017 | 2016 | 2017 | 2016 |
| Revenues: | | | | | | |
| Program revenues: | | | | | | |
| Charges for services | $ 6,542,140 | $ 6,351,981 | $18,169,571 | $15,997,794 | $ 24,711,711 | $ 22,349,775 |
| Operating grants and contributions | 364,935 | 359,928 | - | - | 364,935 | 359,928 |
| Capital grants and contributions | 15,186,815 | 12,277,481 | 3,280,520 | 1,496,700 | 18,467,335 | 13,774,181 |
| General revenues: | | | | | | |
| Ad valorem taxes | 30,065,957 | 26,992,416 | - | - | 30,065,957 | 26,992,416 |
| Sales taxes | 7,993,453 | 7,555,687 | - | - | 7,993,453 | 7,555,687 |
| Other taxes and fees | 2,726,088 | 2,709,736 | - | - | 2,726,088 | 2,709,736 |
| Interest | 145,377 | 65,850 | 135,053 | 103,521 | 280,430 | 169,371 |
| Gain (loss) disposal of capital assets | - | 96,937 | - | - | - | 96,937 |
| Miscellaneous | 223,012 | 149,534 | 172,836 | 419,698 | 395,848 | 569,232 |
| Total revenues | 63,247,777 | 56,559,550 | 21,757,980 | 18,017,713 | 85,005,757 | 74,577,263 |
| Expenses: | | | | | | |
| General Government | 9,460,047 | 9,547,712 | - | - | 9,460,047 | 9,547,712 |
| Public Safety | 17,893,012 | 16,665,427 | - | - | 17,893,012 | 16,665,427 |
| Urban Development | 1,179,962 | 1,012,093 | - | - | 1,179,962 | 1,012,093 |
| Streets | 8,044,783 | 6,941,858 | - | - | 8,044,783 | 6,941,858 |
| Community Service | 7,709,291 | 7,750,815 | - | - | 7,709,291 | 7,750,815 |
| Interest on long-term debt | 2,752,525 | 3,439,372 | - | - | 2,752,525 | 3,439,372 |
| Water and sewer operations | - | - | 15,334,168 | 14,250,070 | 15,334,168 | 14,250,070 |
| Total expenses | 47,039,620 | 45,357,277 | 15,334,168 | 14,250,070 | 62,373,788 | 59,607,347 |
| Increase (decrease) in net position before transfers | 16,208,157 | 11,202,273 | 6,423,812 | 3,767,643 | 22,631,969 | 14,969,916 |
| Transfers | 2,112,861 | 1,911,845 | (2,112,861) | (1,911,845) | - | - |
| Increase (decrease) in net position | 18,321,018 | 13,114,118 | 4,310,951 | 1,855,798 | 22,631,969 | 14,969,916 |
| Net position - October 1 | 137,494,154 | 124,380,036 | 65,000,708 | 63,144,910 | 202,494,862 | 187,524,946 |
| Net position - September 30 | $155,815,172 | $137,494,154 | $69,311,659 | $65,000,708 | $225,126,831 | $202,494,862 |

## Government-Wide Financial Analysis

**Governmental funds**. The focus of the City's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the City's governmental funds reported combined fund balances of $37,829,549.

The General Fund is the main operating fund of the City. At the end of the current fiscal year, unassigned fund balance was $16,281,977. The unassigned fund balance of the General Fund increased by $9,708 during the current fiscal year. The increase was primarily due to an increase in revenues, particularly revenue from ad valorem property taxes.

The General Obligation Debt Service Fund had an increase of $147,478 in fund balance. This was due to the increase in ad valorem property tax revenue. These funds are specifically restricted for the payment of debt service. The Capital Projects Fund increased $1,991,333 due to a decrease in expenditures made on capital projects. Other governmental funds' combined fund balances increased $766,191.

**Proprietary funds**. The City's proprietary funds provide the same type of information found in the government-wide statements, but in more detail.

Unrestricted net position of the Utility Fund at the end of the year was $19,043,168. This represents an increase of $8,239,751. This is largely attributable to the sale of Certificates of Obligation that will provide funding for new capital assets in the City's water storage and metering systems. It is also attributable to the increases in water and sewer sale revenues. This year's operating income was $1,631,473. This increase of $627,793 from last year's operating income is attributable to a slight increase in water sale revenue and a significant increase in sewer sale revenue.

**General Fund Budgetary Highlights.** In FY2017, the General Fund expenditure budget was increased by $3,411,810 over the 2016 budget. Each year the City performs a mid-year review of the budget. If the City Manager determines that funds are available certain amendments are proposed to the City Council for their review and approval. Expenditures were amended throughout the year with the majority occurring during mid-year reviews. These amendments increased General Fund appropriations by $2,480,818 or 6.52%

In the General Fund, the actual revenue received in comparison to the final budget was over by $786,844. This positive variance is most noticeable in licenses and permits and service fees revenue. General Fund expenditures had a final budget to actual positive variance of $2,244,086 prior to other financing sources/uses. This amount is attributable to intentional savings made by all departments. Personnel savings due to turnover and unfilled vacancies were also a factor.

### Capital Assets and Debt Administration

Capital Assets. The City's investment in capital assets for its governmental and business-type activities as of September 30, 2017, amounts to $261,455,758 (net of accumulated depreciation). The investment in capital assets includes land, buildings, improvements other than buildings, machinery and equipment, and construction in progress. The total increase in the City's investment in capital assets for the current year was 3.2%.

**Table 3**
**Capital Assets at Year-end**
**Net of Accumulated Depreciation (000's)**

| | Governmental Activities | | Business-Type Activities | | Total | |
|---|---|---|---|---|---|---|
| Asset | 2017 | 2016 | 2017 | 2016 | 2017 | 2016 |
| Land | $ 38,113 | $ 36,676 | $ 112 | $ 112 | $ 38,225 | $ 36,788 |
| Other non-depreciable asset | 929 | 796 | - | - | 929 | 796 |
| Buildings | 37,282 | 38,835 | 3,195 | 3,324 | 40,477 | 42,159 |
| Improvements | 119,209 | 107,550 | 51,140 | 49,746 | 170,349 | 157,296 |
| Machinery and equipment | 7,479 | 7,186 | 877 | 899 | 8,356 | 8,085 |
| Construction in progress | 2,839 | 8,070 | 281 | 124 | 3,120 | 8,194 |
| | $ 205,851 | $ 199,113 | $ 55,605 | $ 54,205 | $ 261,456 | $ 253,318 |

Additional information on the City's capital assets can be found in the notes to the financial statements on pages 41-42.

Debt Administration. At the end of the current fiscal year, the City of Wylie had total bonded debt outstanding of $96,541,444, all of which is backed by the full faith and credit of the City.

**Table 4**
**Outstanding Debt at Year End (000's)**

| | Governmental Activities | | Business-Type Activities | | Total | |
|---|---|---|---|---|---|---|
| Type of Debt | 2017 | 2016 | 2017 | 2016 | 2017 | 2016 |
| General Obligation | $ 72,830 | $ 77,140 | $ 4,945 | $ 5,315 | $ 77,775 | $ 82,455 |
| Combination Tax & Revenue | 1,165 | 1,850 | 7,175 | 370 | 8,340 | 2,220 |
| Contractual Obligations | 1,260 | 1,325 | - | - | 1,260 | 1,325 |
| Unamortized premium (discount) | 8,336 | 9,173 | 830 | 665 | 9,166 | 9,838 |
| Total | $ 83,591 | $ 89,488 | $ 12,950 | $ 6,350 | $ 96,541 | $ 95,838 |

The City continues to maintain favorable ratings from bond rating agencies. The current General Obligation, Combination Tax and Revenue Certificates of Obligation, and Revenue Bonds ratings are as follows.

| | Moody's Investors Service | Standard & Poor's |
|---|---|---|
| General obligation bonds | Aa2 | AA |
| Certificates of obligation | Aa2 | AA |
| Revenue bonds | A1 | A+ |

Additional information on the City's long-term debt can be found in the notes to the financial statements on pages 43-47.

**Economic Factors and Next Year's Budgets and Rates**

During FY2017, 576 building permits were issued. Fast paced growth continues to be the predominant characteristic of the City. After the slowdown in growth that reflected the then-current economic conditions, FY 2013 began to show signs of improvement. The growth rate has continued to be strong since FY2015 and, as rapid growth continues, the upward trend in property values remains evident. Freeze-adjusted taxable property values showed an increase of $451,250,048, or 13.57%, from FY2017 to FY2018. Our growth pattern is also projected to continue into FY2018. However, as is the City's pattern, fiscal conservatism continues to play a major role in the development of the FY2018 operating budget.

In FY2018, General Fund revenues and expenditures are budgeted to increase by 4.8% and 6.2% prior to other financing sources and transfers out, respectively, over FY2017 revenues and expenditures. This will provide a 30% estimated fund balance at FY2018 year-end, which exceeds the goal of 25%.

Utility Fund operating revenues are budgeted to increase by 8.5% from FY2017 revenues and operating expenses were projected to increase by 12.7% from FY2017.

The City had an updated study of water and sewer rates performed by an outside consultant in FY2017. The rates needed to fund current and future operating and infrastructure needs were identified. Also included in the study were estimated future water and sewer charges from North Texas Municipal Water District. Therefore, in the Utility Fund, water and sewer rates were adjusted for the 2018 budget year in accordance with this study.

During FY2006, voters authorized the City to issue $73,950,000 in bonds. $35,325,000 was issued in 2006 with the remaining $38,625,000 issued in 2008. The issuance of these bonds was expected to cause an increase in the I & S tax rate to cover the principal and interest payments on the additional debt. However, the total tax rate went unchanged from FY2009 through FY2012. In FY2013 the tax rate was reduced $0.01, and then in FY2014 and FY2015 the tax rate was reduced another $0.005 each year. In FY2016,the tax rate was again reduced $0.01 and FY2017 saw a reduction of $0.02. The FY2018 tax rate was reduced $0.0679 marking the sixth consecutive year the Council has decreased the tax rate.

**Requests for Information**

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Department, 300 Country Club Road, Wylie, Texas, 75098.

CITY OF WYLIE
GULF, COLORADO &
SANTA FE RAILWAY
1887
STATE OF TEXAS

# BASIC FINANCIAL STATEMENTS

CITY OF WYLIE
GULF, COLORADO &
SANTA FE RAILWAY
1887
STATE OF TEXAS

# CITY OF WYLIE, TEXAS
# STATEMENT OF NET POSITION
# SEPTEMBER 30, 2017

**EXHIBIT A-1**

| | Primary Government | | | |
|---|---|---|---|---|
| **ASSETS** | **Governmental Activities** | **Business-type Activities** | **Total** | **Component Unit** |
| Cash and cash equivalents | $ 38,412,068 | $ 18,949,779 | $ 57,361,847 | $ 886,200 |
| Receivables (net of allowance for uncollectibles) | 3,835,872 | 2,962,955 | 6,798,827 | 889,450 |
| Inventories | 156,872 | 69,575 | 226,447 | 8,329,086 |
| Prepaid items | - | - | - | 2,000 |
| Restricted assets: | | | | |
| Cash and cash equivalents | 28,024 | 5,521,961 | 5,549,985 | |
| Receivables | - | 1,603,161 | 1,603,161 | - |
| Capital assets (net of accumulated depreciation): | | | | |
| Land | 38,112,914 | 112,045 | 38,224,959 | - |
| Other non-depreciable assets | 928,981 | - | 928,981 | - |
| Construction in progress | 2,839,190 | 281,425 | 3,120,615 | - |
| Buildings | 37,282,457 | 3,194,667 | 40,477,124 | - |
| Improvement other than buildings | 119,208,984 | 51,140,048 | 170,349,032 | - |
| Machinery and equipment | 7,478,325 | 876,722 | 8,355,047 | - |
| **Total assets** | 248,283,687 | 84,712,338 | 332,996,025 | 10,106,736 |
| **DEFERRED OUTFLOWS OF RESOURCES** | | | | |
| Deferred loss on refunding | 3,761,719 | 172,647 | 3,934,366 | - |
| Pensions | 6,946,982 | 693,277 | 7,640,259 | 126,847 |
| **Total deferred outflows of resources** | 10,708,701 | 865,924 | 11,574,625 | 126,847 |
| **LIABILITIES** | | | | |
| Accounts payable and other current liabilities | 1,911,475 | 1,358,946 | 3,270,421 | 162,670 |
| Accrued interest payable | 408,275 | 68,888 | 477,163 | 4,848 |
| Due to other governments | 94,204 | - | 94,204 | - |
| Liabilities payable from restricted assets | - | 364,993 | 364,993 | - |
| Unearned revenue | 1,051,024 | - | 1,051,024 | 216,348 |
| Non current liabilities: | | | | |
| Due within one year | 6,967,067 | 697,955 | 7,665,022 | 1,006,687 |
| Due in more than one year | 92,600,752 | 13,761,842 | 106,362,594 | 3,559,066 |
| **Total liabilities** | 103,032,797 | 16,252,624 | 119,285,421 | 4,949,619 |
| **DEFERRED INFLOWS OF RESOURCES** | | | | |
| Pensions | 144,419 | 13,979 | 158,398 | 1,989 |
| **Total deferred inflows of resources** | 144,419 | 13,979 | 158,398 | 1,989 |
| **NET POSITION** | | | | |
| Net investment in capital assets | 131,493,684 | 43,143,369 | 174,637,053 | - |
| Restricted for: | | | | |
| Debt service | 820,559 | - | 820,559 | - |
| Capital projects | - | 7,125,122 | 7,125,122 | - |
| Economic development | 2,992,341 | - | 2,992,341 | - |
| Tourism | 223,937 | - | 223,937 | - |
| Other | 108,295 | - | 108,295 | - |
| Unrestricted | 20,176,356 | 19,043,168 | 39,219,524 | 5,281,975 |
| **Total net position** | $ 155,815,172 | $ 69,311,659 | $ 225,126,831 | $ 5,281,975 |

The accompanying notes to the basic financial statements are an integral part of this statement.

## CITY OF WYLIE, TEXAS
## STATEMENT OF ACTIVITIES
## FOR THE YEAR ENDED SEPTEMBER 30, 2017

| Function/Programs | Expenses | Program Revenues: Charges for Services | Program Revenues: Operating Grants and Contributions | Program Revenues: Capital Grants and Contributions |
|---|---|---|---|---|
| **Primary Government** | | | | |
| Governmental activities: | | | | |
| General government | $ 9,460,047 | $ 2,887,799 | $ - | $ - |
| Public safety | 17,893,012 | 1,682,035 | 343,365 | |
| Urban development | 1,179,962 | 1,589,740 | - | - |
| Streets | 8,044,783 | - | - | 4,503,651 |
| Community service | 7,709,291 | 382,566 | 21,570 | 10,683,164 |
| Interest on long-term debt | 2,752,525 | - | - | - |
| Total governmental activities | 47,039,620 | 6,542,140 | 364,935 | 15,186,815 |
| Business-type activities: | | | | |
| Utility | 15,334,168 | 18,169,571 | - | 3,280,520 |
| Total business-type activities | 15,334,168 | 18,169,571 | - | 3,280,520 |
| Total primary government | $ 62,373,788 | $ 24,711,711 | $ 364,935 | $ 18,467,335 |
| **Component unit:** | | | | |
| Wylie Economic Development Corp | $ 2,534,632 | $ 129,852 | $ - | $ - |
| Total component units | $ 2,534,632 | $ 129,852 | $ - | $ - |

General revenues:
- Ad valorem taxes
- Sales taxes
- Franchise taxes
- Unrestricted investment earnings
- Miscellaneous income
- Gain on disposal of assets

Transfers

Total general revenues and transfers

Change in net position

Net position - Beginning of year

Net position - Ending

The accompanying notes to the basic financial statements are an integral part of this statement.

| Net (Expense) Revenue and Changes in Net Position | | | |
|---|---|---|---|
| **Governmental Activities** | **Business-type Activities** | **Total** | **Component Unit** |
| $ (6,572,248) | $ - | $ (6,572,248) | $ - |
| (15,867,612) | - | (15,867,612) | - |
| 409,778 | - | 409,778 | - |
| (3,541,132) | - | (3,541,132) | - |
| 3,378,009 | - | 3,378,009 | - |
| (2,752,525) | - | (2,752,525) | - |
| (24,945,730) | - | (24,945,730) | - |
| - | 6,115,923 | 6,115,923 | - |
| - | 6,115,923 | 6,115,923 | - |
| $ (24,945,730) | $ 6,115,923 | $ (18,829,807) | $ - |
| $ - | $ - | $ - | $ (2,404,780) |
| $ - | $ - | $ - | $ (2,404,780) |
| 30,065,957 | - | 30,065,957 | - |
| 7,993,453 | - | 7,993,453 | 2,627,376 |
| 2,726,088 | - | 2,726,088 | - |
| 145,377 | 135,053 | 280,430 | 8,672 |
| 223,012 | 172,836 | 395,848 | |
| - | - | - | 672,348 |
| 2,112,861 | (2,112,861) | - | - |
| 43,266,748 | (1,804,972) | 41,461,776 | 3,308,396 |
| 18,321,018 | 4,310,951 | 22,631,969 | 903,616 |
| 137,494,154 | 65,000,708 | 202,494,862 | 4,378,359 |
| $ 155,815,172 | $ 69,311,659 | $ 225,126,831 | $ 5,281,975 |

## CITY OF WYLIE, TEXAS
## BALANCE SHEET-GOVERNMENTAL FUNDS
## SEPTEMBER 30, 2017

| | General Fund | General Obligation Debt Service |
|---|---|---|
| **ASSETS** | | |
| Cash and cash equivalents | $ 19,738,782 | $ 912,683 |
| Receivables (net of allowance for uncollectibles): | | |
| Ad valorem taxes | 256,475 | 107,468 |
| Franchise taxes | 1,237,082 | - |
| Sales taxes | 937,661 | - |
| Accounts | 376,646 | - |
| Other | 435,140 | - |
| Inventories, at cost | 156,872 | - |
| **Total assets** | $ 23,138,658 | $ 1,020,151 |
| **LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES** | | |
| LIABILITIES: | | |
| Accounts payable | $ 1,323,880 | $ - |
| Other payables and accruals | 480,119 | - |
| Due to other governments | 94,204 | - |
| Unearned revenue | - | - |
| **Total liabilities** | 1,898,203 | - |
| DEFERRED INFLOWS OF RESOURCES: | | |
| Unavailable resources | 1,459,776 | 86,808 |
| **Total deferred inflows of resources** | 1,459,776 | 86,808 |
| **FUND BALANCES:** | | |
| Nonspendable | | |
| Inventory | 156,872 | - |
| Restricted | | |
| Debt service | - | 933,343 |
| Capital projects | - | - |
| Economic development | - | - |
| Municipal court | - | - |
| Tourism | - | - |
| Law enforcement | 44,107 | - |
| Committed | | |
| Park acquisition and improvement | - | - |
| Fire training | - | - |
| Fire development | - | - |
| Public arts | 413,504 | - |
| Assigned | | |
| Law enforcement | 28,008 | - |
| Streets | 60,658 | - |
| Public safety building renovation | 2,795,553 | - |
| Unassigned | 16,281,977 | - |
| **Total fund balances** | 19,780,679 | 933,343 |
| **Total liabilities, deferred inflows of resources, and fund balances** | $ 23,138,658 | $ 1,020,151 |

The accompanying notes to the basic financial statements are an integral part of this statement.

**EXHIBIT A-3**

| Capital Projects Fund | Non major Governmental Funds | Total Governmental Funds |
|---|---|---|
| $ 11,966,692 | $ 5,821,935 | $ 38,440,092 |
| - | - | 363,943 |
| - | - | 1,237,082 |
| - | 463,365 | 1,401,026 |
| - | - | 376,646 |
| - | 22,035 | 457,175 |
| - | - | 156,872 |
| $ 11,966,692 | $ 6,307,335 | $ 42,432,836 |
| $ 24,379 | $ 48,251 | $ 1,396,510 |
| - | 34,846 | 514,965 |
| - | - | 94,204 |
| 1,051,024 | - | 1,051,024 |
| 1,075,403 | 83,097 | 3,056,703 |
| - | - | 1,546,584 |
| - | - | 1,546,584 |
| - | - | 156,872 |
| - | 208,683 | 1,142,026 |
| 10,891,289 | - | 10,891,289 |
| - | 2,992,341 | 2,992,341 |
| - | 63,234 | 63,234 |
| - | 223,937 | 223,937 |
| - | 954 | 45,061 |
| - | 507,274 | 507,274 |
| - | 142,443 | 142,443 |
| - | 2,085,372 | 2,085,372 |
| - | - | 413,504 |
| - | - | 28,008 |
| - | - | 60,658 |
| - | - | 2,795,553 |
| - | - | 16,281,977 |
| 10,891,289 | 6,224,238 | 37,829,549 |
| $ 11,966,692 | $ 6,307,335 | $ 42,432,836 |

**CITY OF WYLIE, TEXAS** **EXHIBIT A-4**
**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION**
**SEPTEMBER 30, 2017**

| | | |
|---|---|---|
| Total fund balance-governmental funds balance sheet | $ | 37,829,549 |
| Amounts reported for governmental activities in the statement of net position are different because: | | |
| Capital assets used in governmental activities are not current financial resources and therefore are not reported in the governmental funds balance sheet. | | 205,850,851 |
| Deferred losses on refunding are reported as deferred outflows of resources in the government-wide statement of net position. | | 3,761,719 |
| Revenues earned but not available within sixty days of the fiscal year-end are not recognized as revenue in the fund financial statements. | | 1,546,584 |
| Deferred outflows of resources ($6,946,982) related to the City's net pension liability result in an increase in net position in the government-wide financial statements while deferred inflows ($144,419) result in a decrease in net position. | | 6,802,563 |
| Interest payable on long-term debt does not require current financial resources, therefore interest payable is not reported as a liability in the governmental funds balance sheet. | | (408,275) |
| Long-term liabilities, including bonds payable, are not due and payable in the current period, and therefore are not reported in the fund financial statements. | | (99,567,819) |
| **NET POSITION OF GOVERNMENTAL ACTIVITIES - statement of net position** | $ | 155,815,172 |

The accompanying notes to the basic financial statements are an integral part of this statement.

**CITY OF WYLIE, TEXAS** **EXHIBIT A-5**
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**
**GOVERNMENTAL FUNDS**
**FOR THE YEAR ENDED SEPTEMBER 30, 2017**

| | General Fund | General Obligation Debt Service | Capital Projects Fund | Non major Governmental Funds | Total Governmental Funds |
|---|---|---|---|---|---|
| **REVENUES** | | | | | |
| Ad valorem taxes | $ 22,067,571 | $ 7,995,077 | $ - | $ - | $ 30,062,648 |
| Sales taxes | 5,283,769 | - | - | 2,709,684 | 7,993,453 |
| Franchise fees | 2,686,550 | - | - | - | 2,686,550 |
| Licenses and permits | 1,130,011 | - | 1,057,810 | - | 2,187,821 |
| Intergovernmental | 861,326 | - | 3,446,091 | 360,841 | 4,668,258 |
| Service fees | 3,647,677 | - | - | 769,287 | 4,416,964 |
| Court fees | 557,320 | - | - | 25,098 | 582,418 |
| Development fees | - | - | - | 969,365 | 969,365 |
| Interest income | 81,243 | 8,665 | 37,361 | 18,108 | 145,377 |
| Miscellaneous income | 289,487 | - | - | 20,617 | 310,104 |
| Total revenues | 36,604,954 | 8,003,742 | 4,541,262 | 4,873,000 | 54,022,958 |
| **EXPENDITURES** | | | | | |
| Current: | | | | | |
| General government | 10,677,430 | - | - | - | 10,677,430 |
| Public safety | 18,089,087 | - | - | 101,066 | 18,190,153 |
| Urban development | 1,270,481 | - | - | - | 1,270,481 |
| Streets | 3,070,133 | - | - | - | 3,070,133 |
| Community service | 4,255,423 | - | - | 4,104,216 | 8,359,639 |
| Capital outlay | - | - | 3,493,929 | - | 3,493,929 |
| Debt service: | | | | | |
| Principal | - | 4,750,000 | - | 310,000 | 5,060,000 |
| Interest and fiscal charges | - | 3,106,264 | - | 75,050 | 3,181,314 |
| Total expenditures | 37,362,554 | 7,856,264 | 3,493,929 | 4,590,332 | 53,303,079 |
| Excess (Deficiency) of revenues under expenditures | (757,600) | 147,478 | 1,047,333 | 282,668 | 719,879 |
| **OTHER FINANCING SOURCES (USES)** | | | | | |
| Transfers in | 2,147,861 | - | 944,000 | 386,000 | 3,477,861 |
| Transfers out | (944,000) | - | - | (421,000) | (1,365,000) |
| Capital leases issued | 1,130,553 | - | - | - | 1,130,553 |
| Proceeds from sale of property | 86,034 | - | - | - | 86,034 |
| Insurance recovery | 926,376 | - | - | 518,523 | 1,444,899 |
| Total other financing sources (uses) | 3,346,824 | - | 944,000 | 483,523 | 4,774,347 |
| Net change in fund balances | 2,589,224 | 147,478 | 1,991,333 | 766,191 | 5,494,226 |
| Fund balances October 1, 2016 | 17,191,455 | 785,865 | 8,899,956 | 5,458,047 | 32,335,323 |
| Fund balances September 30, 2017 | $ 19,780,679 | $ 933,343 | $ 10,891,289 | $ 6,224,238 | $ 37,829,549 |

The accompanying notes to the basic financial statements are an integral part of this statement.

## CITY OF WYLIE, TEXAS
## RECONCILIATON OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES
## FOR THE YEAR ENDED SEPTEMBER 30, 2017

**EXHIBIT A-6**

| | | |
|---|---|---|
| Net change in fund balances- total governmental funds. | $ | 5,494,226 |
| Amounts reported for governmental activities in the statement of activities are different because: | | |
| Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. | | 6,859,820 |
| Depreciation expense on capital assets is reported in the statement of activities but does not require the use of current financial resources. Therefore, depreciation expense is not reported as expenditures in the governmental funds. | | (9,160,247) |
| Disposal of capital assets decreases net position in the government-wide financial statements and gets netted with the proceeds of the sale that is recorded at the fund level statements. | | (98,459) |
| The repayment of the principal of long term debt consumes the current financial resources of governmental funds, but has no effect on net position. The amortization of bond premiums and deferred gain/loss on refunding of long term debt is reported in statement of activities but does not require the use of current financial resources. Therefore the effect of the amortization of these various items are not reported in the statement of revenues, expenses, and changes in fund balance.<br>This amount represents the net effect of the following items:<br>o Capital leases issued ($1,130,553)<br>o Repayments $5,297,819<br>o Amortization of premium on bonds, $836,719<br>o Amortization of deferred loss on refunding, ($398,103) | | 4,605,882 |
| GASB 68 requires certain expenditures to be de-expended to account for the changes in pension liabilities, and deferred inflows/outflows. There was a increase in pension liabilities of ($1,048,026), a decrease in deferred inflows of $37,763, and a increase in deferred outflows of $2,686,316. | | 1,676,053 |
| Current year changes in accrued interest payable does not require the use of current financial resources; and therefore, are not reported as expenditures in governmental funds. | | (975) |
| Current year changes in the long-term liability for compensated absences do not require the use of current financial resources; and therefore, are not reported as expenditures in governmental funds. | | (280,100) |
| Governmental funds do not recognize assets contributed by developers. However, in the statement of activities, the fair market value of those assets is recognized as revenue, then allocated over the useful life of the assets and reported as depreciation expense. | | 9,136,873 |
| Certain revenues in the government-wide statement of activities that do not provide current financial resources are not reported as revenue in the governmental funds. | | 87,945 |
| **CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES - statement of activities** | $ | 18,321,018 |

The accompanying notes to the basic financial statements are an integral part of this statement.

CITY OF WYLIE
GULF, COLORADO &
SANTA FE RAILWAY
1887
STATE OF TEXAS

**CITY OF WYLIE, TEXAS**
**STATEMENT OF NET POSITION**
**PROPRIETARY FUNDS**
**SEPTEMBER 30, 2017**

| | Enterprise Fund |
|---|---|
| | Utility Fund |
| **ASSETS** | |
| Current assets | |
| Cash and cash equivalents | $ 18,949,779 |
| Accounts receivables (net of allowances for uncollectibles) | 2,744,026 |
| Other receivables | 218,929 |
| Inventories, at cost | 69,575 |
| Restricted assets | |
| Cash and cash equivalents | 5,521,961 |
| Accounts receivable | 1,603,161 |
| Total current assets | 29,107,431 |
| Non-current assets | |
| Capital assets: | |
| Land | 112,045 |
| Buildings | 3,889,427 |
| Waterworks system | 42,848,473 |
| Sewer system | 36,365,864 |
| Machinery and equipment | 1,996,908 |
| Construction in progress | 281,425 |
| Accumulated depreciation | (29,889,235) |
| Total capital assets (net of accumulated depreciation) | 55,604,907 |
| Total non-current assets | 55,604,907 |
| Total assets | 84,712,338 |
| **DEFERRED OUTFLOWS OF RESOURCES** | |
| Deferred loss on refunding | 172,647 |
| Pensions | 693,277 |
| Total deferred outflows of resources | 865,924 |

The accompanying notes to the basic financial statements are an integral part of this statement.

**EXHIBIT A-7**

| | Enterprise Fund |
|---|---|
| | Utility Fund |
| **LIABILITIES** | |
| Current liabilities: | |
| Accounts payable | $ 1,178,652 |
| Other payables and accruals | 180,294 |
| Compensated absences payable - current | 82,955 |
| General obligation bonds payable - current | 615,000 |
| Accrued interest payable | 68,888 |
| Payable from restricted assets | |
| Customer deposits | 364,993 |
| Total current liabilities | 2,490,782 |
| Non-current liabilities: | |
| Compensated absences payable | 36,657 |
| General obligation bonds payable | 4,330,000 |
| Combination bonds - tax and revenue | 8,005,412 |
| Net pension liability | 1,389,773 |
| Total noncurrent liabilities | 13,761,842 |
| Total liabilities | 16,252,624 |
| **DEFERRED INFLOWS OF RESOURCES** | |
| Pensions | 13,979 |
| Total deferred inflows of resources | 13,979 |
| **NET POSITION** | |
| Net investment in capital assets | 43,143,369 |
| Restricted for construction | 7,125,122 |
| Unrestricted | 19,043,168 |
| Total net position | $ 69,311,659 |

**CITY OF WYLIE, TEXAS** **EXHIBIT A-8**
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION – PROPRIETARY FUNDS**
**FOR THE YEAR ENDED SEPTEMBER 30, 2017**

| | Enterprise Fund |
|---|---|
| | Utility Fund |
| **OPERATING REVENUES** | |
| Water | $ 7,682,787 |
| Sewer | 8,639,550 |
| Penalties | 183,002 |
| Water taps | 61,249 |
| Sewer taps | 21,953 |
| Reconnect fees | 34,117 |
| Total operating revenues | 16,622,658 |
| **OPERATING EXPENSES** | |
| Water purchases | 4,690,662 |
| Sewer treatment | 4,267,986 |
| Utility administration | 322,251 |
| Water department | 1,666,998 |
| Sewer department | 602,891 |
| Utility billing | 416,393 |
| Engineering | 411,489 |
| Combined services | 47,294 |
| Other | 406,359 |
| Depreciation and amortization | 2,158,862 |
| Total operating expenses | 14,991,185 |
| Operating income | 1,631,473 |
| **NON-OPERATING REVENUES (EXPENSES)** | |
| Investment revenue | 135,053 |
| Miscellaneous income | 172,836 |
| Water and sewer impact fee revenue | 1,546,913 |
| Interest expense | (342,983) |
| Total non-operating revenues (expenses) | 1,511,819 |
| Net income before transfers and contributions | 3,143,292 |
| **TRANSFERS AND CONTRIBUTIONS** | |
| Capital contributions | 3,280,520 |
| Transfers out | (2,112,861) |
| Total transfers and contributions | 1,167,659 |
| Change in net position | 4,310,951 |
| **Net position, October 1** | 65,000,708 |
| **Net position, September 30** | $ 69,311,659 |

The accompanying notes to the basic financial statements are an integral part of this statement.

**CITY OF WYLIE, TEXAS** **EXHIBIT A-9**
**STATEMENT OF CASH FLOWS**
**PROPRIETARY FUNDS**
**FOR THE YEAR ENDED SEPTEMBER 30, 2017**

| | Enterprise Fund<br>Utility Fund |
|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES** | |
| Cash received from customers | $ 16,573,323 |
| Cash payments to employees for services | (1,813,950) |
| Cash payments to other suppliers for goods and services | (10,692,626) |
| Net cash provided by operating activities | 4,066,747 |
| **CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES** | |
| Transfers to other funds | (2,112,861) |
| Net cash used in non-capital financing activities | (2,112,861) |
| **CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES** | |
| Principal and interest paid | 6,333,897 |
| Acquisition or construction of capital assets | (315,103) |
| Water and sewer impact fee revenue | 1,546,913 |
| Net cash provided by capital and related financing activities | 7,565,707 |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | |
| Interest and dividends on investments | 135,053 |
| Net cash provided by investing activities | 135,053 |
| Net increase in cash and cash equivalents | 9,654,646 |
| Cash and cash equivalents at beginning of year | 14,817,094 |
| Cash and cash equivalents at end of year | $ 24,471,740 |
| **RECONCILIATION TO STATEMENT OF NET POSITION** | |
| Cash and cash equivalents | $ 18,949,779 |
| Restricted cash and cash equivalents | 5,521,961 |
| Total cash and cash equivalents | $ 24,471,740 |
| **RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES** | |
| Operating income | $ 1,631,473 |
| Adjustments to reconcile operating income to net cash provided by operating activities: | |
| Depreciation and amortization | 2,158,862 |
| Miscellaneous income | 172,836 |
| Pension expense | 1,283,793 |
| Effects of changes in assets and liabilities: | |
| Decrease (increase) in receivables | (212,051) |
| Decrease (increase) in inventories | (2,246) |
| Decrease (increase) in restricted receivables | 164,935 |
| Decrease (increase) in deferred outflows | (1,423,271) |
| Increase(decrease) in deferred inflows | (3,818) |
| Increase (decrease) in accounts payable | 308,653 |
| Increase (decrease) in other payables and accruals | (6,553) |
| Increase (decrease) in compensated absences | 4,254 |
| Increase (decrease) in customer deposits | (10,120) |
| Total adjustments | 2,435,274 |
| Net cash provided by operating activities | $ 4,066,747 |
| **NONCASH ITEMS** | |
| Developer contributions of capital assets | $ 3,280,520 |

The accompanying notes to the basic financial statements are an integral part of this statement.



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## NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Wylie (the City) was incorporated in 1887. The City operates under a Council-Manager form of government as a duly incorporated home rule city as authorized under the constitution of the State of Texas, and provides the following services: public safety (police and fire), streets, water, sewer and sanitation, public improvements, culture, planning and zoning, parks and recreation, and general administrative services.

The City reports in accordance with accounting principles generally accepted in the United States of America (GAAP) as established by the Governmental Accounting Standards Board (GASB) and the Financial Accounting Standards Board (FASB). The accounting and reporting framework and the more significant accounting principles and practices are discussed in subsequent sections of this Note. The remainder of the notes are organized to provide concise explanations, including required disclosures of budgetary matters, assets, liabilities, fund equity, revenues, expenditures/expenses, and other information considered important to gaining a clear picture of the City's financial activities for the fiscal year ended September 30, 2017.

### A. Financial Statement Presentation

The basic financial statements are prepared in conformity with GASB Statement No. 34, which requires the government-wide financial statements to be prepared using the accrual basis of accounting and the economic resources measurement focus. Government-wide financial statements do not provide information by fund, but distinguish between the City's governmental activities, business-type activities and activities of its discretely presented component unit on the statement of net position and statement of activities. Significantly, the City's statement of net position includes both noncurrent assets and noncurrent liabilities of the City. In addition, the government-wide statement of activities reflects depreciation expenses on the City's capital assets, including infrastructure.

In addition to the government-wide financial statements, the City has prepared fund financial statements, which use the modified accrual basis of accounting and the current financial resources measurement focus for the governmental funds. The accrual basis of accounting is utilized by proprietary funds. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

The City also presents Management's Discussion and Analysis, which includes an analytical overview of the City's financial activities. In addition, a budgetary comparison statement is presented that compares the original adopted and final amended General Fund budget with actual results.

### B. Financial Reporting Entity

The City's basic financial statements include the accounts of all City operations. In evaluating how to define the government for financial reporting purposes, management has considered all entities for which the City is considered to be financially accountable. The City is a home rule municipality governed by an elected Mayor and six-member City Council, who appoint a City Manager. As required by GAAP, these financial statements present the City and its component units, entities for which the City is considered to be financially accountable. The discretely presented component unit is reported in a separate column in the combined financial statements to emphasize that it is legally separate from the City.

## NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

### B. Financial Reporting Entity – Continued

Blended Component Unit

The Wylie Park and Recreation Facilities Development Corporation ("the 4B Corporation") is presented in the basic financial statements as a blended component unit of the City. The 4B Corporation's board is substantively the same as the City Council. All members of the 4B Corporation other than the board are City employees. The City Manager is the Chief Executive Operating Officer of the 4B Corporation. The purpose of the 4B Corporation, which is financed with a voter-approved half-cent sales tax, is to promote economic development within the City through the construction of park and recreation facilities. The 4B Corporation has a September 30 year-end. The 4B Corporation's financial budget, treasury, and personnel functions are totally integrated with the City's (thus the City has operational responsibility for the 4B Corporation). All of the 4B Corporation's financial information is presented in the basic and combining financial statements along with the notes to these financial statements. The 4B Corporation does not issue separate financial statements.

Discretely Presented Component Unit

The Wylie Economic Development Corporation (WEDC) is a discretely presented component unit in the combined financial statements. The governing body of the WEDC is appointed by the City Council and the WEDC's operating budget is subject to approval of the City Council. The WEDC's board is not substantially the same as the City Council. The purpose of the WEDC, which is financed with a voter-approved half-cent City sales tax, is to aid, promote and further the economic development within the City. The WEDC is presented as a governmental fund type and has a September 30 year-end. Under a contract with the WEDC, the financial, budget, treasury and personnel functions of the WEDC are integrated with the City. All of WEDC's financial information is presented in the combined and combining financial statements along with the notes to these financial statements. There are no separately issued financial statements of the WEDC.

### C. Government-Wide and Fund Financial Statements

The basic financial statements include both government-wide (based on the City as a whole) and fund financial statements. The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely on fees and charges for support. Additionally, the primary government is reported separately from the legally separate component unit for which the primary government is financially accountable.

The government-wide statement of activities demonstrates the degree to which the direct expenses of a functional category (Public Safety, Urban Development, etc.) or program are offset by program revenues. Direct expenses are those that are clearly identifiable with specific function or program. Program revenues include: a) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or program, b) grants and contributions that are restricted to meeting the operational requirements of a particular function or program, or c) grants and contributions that are restricted to meeting the capital requirements of a particular function or program. Taxes and other items not properly included among program revenues are reported instead as general revenues. Internally dedicated resources are also reported as general revenues rather than as program revenues.

## NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

### C. Government-Wide and Fund Financial Statements – Continued

Separate fund financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. The major governmental funds are the general fund, the general obligation debt service fund, and the capital projects fund. GASB Statement No. 34 sets forth minimum criteria (percentage of assets, liabilities, revenues or expenditures/expenses of either fund category for the governmental and enterprise combined) for the determination of major funds. The non-major funds are combined in a column in the fund financial statements. The non-major funds are detailed in the combining section of the financial statements.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

### D. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. The government-wide and proprietary fund financial statements follow the accounting set forth by the Governmental Accounting Standards Board.

Governmental fund level financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. The governmental fund financial statements follow the accounting set forth by the Governmental Accounting Standards Board.

Property taxes, franchise fees, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Sales taxes collected and held by the State and merchants at year-end on behalf of the City are also recognized as revenue. All other revenue items are considered to be measurable and available only when cash is received by the government.

## NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

### D. Measurement Focus, Basis of Accounting, and Financial Statement Presentation – Continued

**Fund Accounting**

The following major funds are used by the City:

**1. Governmental Funds:**

Governmental Funds are those through which most governmental functions of the City are financed. The acquisition, use and balances of the City's expendable financial resources and the related liabilities (except those accounted for in proprietary funds) are accounted for through governmental funds. The measurement focus is on determination of changes in financial position, rather than on net income determination. The following is a description of the major Governmental Funds of the City:

a. The **General Fund** is the operating fund of the City. This fund is used to account for all financial resources not accounted for in other funds. All general tax revenues and other receipts that are not restricted by law or contractual agreement to some other fund are accounted for in this fund. General operating expenditures, fixed charges and capital improvement costs that are not paid through other funds are paid from the General Fund.

b. The **General Obligation Debt Service Fund** is used to account for the accumulation of financial resources for the payment of principal, interest and related costs on general obligation long-term debt paid from taxes levied by the City.

c. The **Capital Projects Fund** is used to account for the acquisition or construction of capital facilities, except those being financed by proprietary funds.

In addition, the City reports the following non-major governmental funds.

a. **4B Sales Tax Revenue Fund** accounts for sales tax monies specifically designated for promoting economic development within the City by developing, implementing, providing and financing park and recreation projects.

b. **Parks Acquisition and Improvement Fund** accounts for the development and improvement of City parks.

c. **Fire Training Center Fund** accounts for First Responder fees specifically designated for the construction of the Fire Training Center.

d. **Fire Development Fees Fund** accounts for contributions specifically designated for use of the fire department.

e. **Municipal Court Technology Fund** accounts for court fines specifically designated for improvements in court technology.

f. **Municipal Court Building Security Fund** accounts for court fines specifically designated for additions/improvements to court security.

g. **Hotel Tax Fund** accounts for occupancy taxes charged to hotels.

## NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

### D. Measurement Focus, Basis of Accounting, and Financial Statement Presentation – Continued

**h**. **Recreation Fund** accounts for fees charged for recreational services.

i. **Federal Seizure Fund** accounts the City's share of forfeiture proceeds at the federal level and is restricted for law enforcement additions/improvements only.

**j.** **Judicial Efficiency Fund** accounts court fines specifically restricted to improving the efficiency of the administration of justice.

**k.** **Truancy Court Fund** accounts for court fines designated for the efficiency of Juvenile Court truancy cases.

**l.** **4B Debt Service Funds** account for the accumulation of resources to be used for the payment of principal and interest on the 4B Sales Tax Revenue Bonds – Series 1996 and 2005.

Governmental funds with legally adopted annual budgets include the General Fund, the General Obligation Debt Service Fund, two (2) 4B Debt Service Funds, and all special revenue funds.

**2. Proprietary Funds:**

Proprietary Funds are accounted for using an economic resources measurement focus. The accounting objectives are a determination of net income, financial position, and changes in cash flows. All assets and liabilities associated with a proprietary fund's activities are included on its statement of net position.

The proprietary funds are financed and operated in a manner similar to private business enterprise. The costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis are financed or recovered primarily through user charges. Periodic determination of revenues earned, expenses incurred, or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes. The following is a description of the major proprietary fund of the City:

**The Utility Fund** is used to account for the operations of the water distribution system, wastewater pumping stations and collection systems. The City contracts with North Texas Municipal Water District for wastewater treatment.

### E. Cash and Cash Equivalents

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

State statutes authorize the City to invest in (1) obligations of the United States or its agencies and instrumentalities; (2) direct obligations of the State of Texas or its agencies; (3) other obligation, the principal of and interest on which are unconditionally guaranteed or insured by the State of Texas or the United States; (4) obligations of states, agencies, counties, cities, and other political subdivisions of any state having been rated as to investment quality by a nationally recognized investment rating firm and having received a rating of not less than A or its equivalent; (5) certificates of deposit by state and national banks domiciled in this state that are (A) guaranteed or insured by the Federal Deposit Insurance Corporation, or its successor; or (B) secured by obligations that are described by (1), pledged with third party selected or approved by the City, and placed through a primary government securities dealer.

Investments maturing within one year of date of purchase are stated at cost or amortized cost, all other investments are stated at fair value which is based on quoted market prices.

## NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

### F. Inventories and Prepaid Items

Inventory is valued at cost (first-in, first-out). The cost of governmental fund type inventory is recorded as an expenditure when consumed rather than when purchased. Reported inventories are equally offset by non-spendable fund balance, which indicates that they do not constitute "available, spendable resources" even though they are a component of fund balance. The City is not required to maintain a minimum level of inventory. Inventories in the Proprietary Funds consist of supplies and are recorded at the lower of cost or market.

Prepaid balances are for payments made by the City for which benefits extend beyond September 30, 2017, and the non-spendable fund balance has been recognized to signify that a portion of fund balance is not available for other subsequent expenditures.

### G. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e. the non-current portion of interfund loans). All other outstanding balances between funds are reported as “due to/from other funds.” Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances.”

Advances between funds, as reported in the fund financial statements, are offset by non-spendable fund balance in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

All trade receivables are shown net of an allowance for uncollectibles. Trade accounts receivable in excess of 60 days comprise the trade accounts receivable allowance for uncollectibles.

### H. Restricted Assets

Certain proceeds of enterprise fund revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants or contractual agreements.

Customer deposits received for water and wastewater service are, by law, considered to be restricted assets. These balances are included in the Utility Fund.

### I. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than $15,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets’ lives are not capitalized.

## NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

### I. Capital Assets – Continued

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Capital assets of the primary government, as well as the component units, are depreciated using the straight line method over the following estimated useful lives:

| Assets | Years |
|---|---|
| Buildings | 20 - 30 |
| Improvements other than buildings | 20 - 50 |
| Machinery and equipment | 5 - 20 |

### J. Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. A percentage of accrued sick leave is payable on a longevity basis at the time of termination. All vacation and sick leave is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

### K. Long-term Obligations

In the government-wide financial statements and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position.

Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method, which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Losses on refunding are deferred and amortized over the life of the new issuance or the existing debt using the effective interest method.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

### L. Pensions

For purposes of measuring the net pension liability, pension related deferred outflows and inflows of resources and pension expense, City specific information about its Fiduciary Net Position in the Texas Municipal Retirement System (TMRS) and additions to/deductions from the City's Fiduciary Net Position have been determined on the same basis as they are reported by TMRS. For this purpose, plan contributions are recognized in the period that compensation is reported for the employee, which is when contributions are legally due. Benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

## NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

### L. Pensions – Continued

Information regarding the City's Total Pension Liability is obtained from TMRS through a report prepared for the City by TMRS consulting actuary, Gabriel Roeder Smith & Company, in compliance with Governmental Accounting Standards Board (GASB) Statement No. 68, Accounting and Financial Reporting for Pensions.

### M. Deferred Outflows/Inflows of Resources

In addition to assets and liabilities, the statement of financial position and/or balance sheet will sometimes report a separate section for deferred outflows and deferred inflows of resources. Deferred outflows of resources represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has the following items that qualify for reporting as deferred outflows:

**Deferred Loss on Refunding –** these deferred outflows result from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

**Pensions** – these deferred outflows result from pension contributions after the measurement date (deferred and recognized in the following fiscal year) and/or differences in projected and actual earnings on pension assets (deferred and amortized over a closed five year period).

Deferred inflows of resources represent the acquisition of net position/fund balance that applies to a future period(s) and so will not be recognized as an inflow or resources (revenue) until that time. The City reports certain deferred inflows related to pensions on the government-wide statement of position and unavailable tax revenues at the fund level.

### N. Fund Equity

The City has adopted the provisions of GASB Statement No. 54, *Fund Balance Reporting and Government Fund Type Definitions*. The objective of the statement is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing government fund type definitions. The statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. Fund balance classifications, under GASB 54 are Nonspendable, Restricted, Committed, Assigned, and Unassigned.

These classifications reflect not only the nature of funds, but also provide clarity to the level of restriction placed upon fund balance. Fund balance can have different levels of constraint, such as external versus internal compliance requirements. Unassigned fund balance is a residual classification within the General Fund. The General Fund should be the only fund that reports a positive unassigned balance. In all other funds, unassigned is limited to negative residual fund balance.

*In accordance with GASB 54, the City classifies governmental fund balances as follows:*

Nonspendable fund balance – includes amounts that are not in a spendable form or are required to be maintained intact. (i.e. inventories, prepaid items)

Restricted fund balance – includes amounts that can be spent only for the specific purposes stipulated by external resource providers either constitutionally or through enabling legislation. (i.e. debt service, capital projects, economic development, municipal court security, municipal court technology, tourism)

## NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

### N. Fund Equity – Continued

Committed fund balance – includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority (City Council). Commitments may be changed or lifted only by the government taking the same formal action (resolution) that imposed the constraint originally. (i.e. park acquisition and improvement, recreation, fire training, fire development, public arts).

Assigned fund balance – comprises amounts intended to be used by the government for specific purposes. Intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority. The City Council has authorized the City Manager as the official authorized to assign fund balance to a specific purpose as approved by the fund balance policy.

Unassigned fund balance – is the residual classification of the general fund and includes all amounts not contained in other classifications. Unassigned amounts are technically available for any purpose.

Order of Expenditure of Funds – When multiple categories of fund balance are available for expenditure, the City will start with the most restricted category and spend those funds first before moving down to the next category with available funds.

Minimum General Fund Unassigned Fund Balance – It is the goal of the City to achieve and maintain an unassigned fund balance in the general fund equal to 25% of expenditures. The City considers a balance of less than 20% to be cause for concern, barring unusual or deliberate circumstances. If unassigned fund balance falls below the goal or has a deficiency, the City will appropriate funds in future budgets to replenish the fund balance based on a time table deemed adequate by the City Council.

Net Position – In the statement of net position, the amount of net position restricted for other consists of the following as of September 30, 2017:

| | |
|---|---|
| Municipal court | $ 63,234 |
| Law enforcement | 45,061 |
| Total | $ 108,295 |

### O. Subsequent Events

The City has evaluated all events or transactions that occurred after September 30, 2017 up through January 17, 2018, the date the financial statements were issued. During this period, there were no subsequent events requiring disclosure.

## NOTE 2. CASH AND INVESTMENTS

At year end, the carrying amount of the City's deposits was $33,876,350 and the bank balance was $34,078,747. All of the bank balance was covered by federal deposit insurance and collateralized by the pledging financial institution's City's safekeeping account at the Federal Reserve.

## NOTE 2. CASH AND INVESTMENTS - CONTINUED

Cash and investments as of September 30, 2017 consist of and are classified in the accompanying financial statements as follows:

| | | |
|---|---|---|
| Statement of net position: | | |
| Primary Government | | |
| Cash and cash equivalents | $ | 57,361,847 |
| Restricted cash and cash equivalents | | 5,549,985 |
| Total Primary Government | | 62,911,832 |
| Component Unit | | |
| Cash and cash equivalents | | 886,200 |
| Total cash and investments | $ | 63,798,032 |
| Cash on hand | $ | 35,425 |
| Deposits with financial institution | | 33,876,350 |
| Investments | | 29,886,257 |
| Total cash and investments | $ | 63,798,032 |

The table below identifies the investment types that are authorized for the City by the Public Funds Investment Act. (Government Code Chapter 2256) The table also identifies certain provisions of the City's investment policy that address interest rate risk, credit risk, and concentration of credit risk.

| Authorized Investment Type | Maximum Maturity | Maximum Percentage of Portfolio | Maximum Investment In One Issuer |
|---|---|---|---|
| U.S. Treasury obligations | 5 years | 100% | None |
| U.S. Agency obligations | 5 years | 100% | None |
| Certificates of deposit | 18 months | 25% | None |
| Direct repurchase agreements | 2 years | 100% | None |
| Investment pools | 90 days | None | None |

**Disclosures relating to interest rate risk**

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates.

In accordance with its investment policy, the City manages its exposure to declines in fair value by limiting the weighted average maturity of its portfolio to less than three years.

## NOTE 2. CASH AND INVESTMENTS – CONTINUED

### Disclosures relating to interest rate risk – Continued

As of September 30, 2017, the City had the following investments:

| Investment Type | Amount | Weighted Average Maturity |
|---|---|---|
| TexPool | $ 14,678,807 | 34 Days |
| TexStar | 15,207,450 | 28 Days |
| | $ 29,886,257 | |

### Disclosures relating to credit risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by (where applicable) the Public Funds Investment Act, the City's investment policy, or debt agreements, and the actual rating as of year-end for each investment type.

| Investment Type | Amount | Minimum Legal Rating | Rating as of Year End |
|---|---|---|---|
| TexPool | $ 14,678,807 | N/A | AAA-m |
| TexStar | 15,207,450 | N/A | AAA-m |
| | $ 29,886,257 | | |

### Concentration of credit risk

The City's investment policy does not allow for an investment in any one issuer (other than investment pools) that is in excess of five percent of the fair value of the City's total investments.

### Custodial credit risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The Public Funds Investment Act does not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits:

The Public Funds Investment Act requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least the bank balance less the FDIC insurance at all times.

## NOTE 2. CASH AND INVESTMENTS – CONTINUED

### Custodial credit risk – Continued

The City requires all deposits to be covered by Federal Depository Insurance Corporation (FDIC) insurance and/or collateralized by qualified securities pledged by the City's depository in the City's name and held by the depository's agent.

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. GASB Statement No. 72, *Fair Value Measurement and Application* provides a framework for measuring fair value which establishes a three-level fair value hierarchy that describes the inputs that are used to measure assets and liabilities.

- Level 1 inputs are quoted prices (unadjusted) for identical assets or liabilities in active markets that a government can access at the measurement date.
- Level 2 inputs are inputs—other than quoted prices included within Level 1—that are observable for an asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for an asset or liability.

The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs. If a price for an identical asset or liability is not observable, a government should measure fair value using another valuation technique that maximizes the use of relevant observable inputs and minimizes the use of unobservable inputs. If the fair value of an asset or a liability is measured using inputs from more than one level of the fair value hierarchy, the measurement is considered to be based on the lowest priority level input that is significant to the entire measurement.

The City has no recurring fair value measurements.

As of September 30, 2017 the City deposits with financial institutions in excess of federal depository insurance limits were fully collateralized.

The City is a voluntary participant in TexPool. The State Comptroller of Public Accounts exercises responsibility over TexPool. Oversight includes the ability to significantly influence operations, designation of management, and accountability for fiscal matters. Additionally, the State Comptroller has established an advisory board composed of both participants in TexPool and other persons who do not have a business relationship with TexPool. TexPool operates in a manner consistent with the SEC's Rule2A7 of the Investment Company Act of 1940. TexPool uses amortized cost rather than the market value to report net assets to compute share prices. Accordingly, the fair value of the position in TexPool is the same as the value of TexPool shares.

TexStar is administered by First Southwest Asset Management, Inc. and JPMorgan Chase. Together these organizations bring to the TexStar program the powerful partnership of two leaders in financial services with a proven and noted track record in local government investment pool management. TexStar is a local government investment pool created under the Interlocal Cooperation Act specifically tailored to meet Texas state and local government investment objectives of preservation of principal, daily liquidity, and competitive yield. TexStar uses amortized costs rather than market value to report net position to compute share prices. Accordingly, the fair value of the position in TexStar is the same as the value of TexStar shares.

## NOTE 3. PROPERTY TAXES

The City's property tax is levied each October 1 on the assessed value listed as of the prior January 1 for all real and certain personal property located within the City. Appraised values are established by the Collin County Central Appraisal District at 100% of estimated market value and certified by the Appraisal Review Board. The assessed value upon which the tax year 2016 levy was based was $3,517,899,402. Taxes are due on October 1 and are delinquent after the following January 31.

The City is permitted by Article XI, Section 5 of the State of Texas Constitution to levy taxes up to $2.50 per $100 of assessed valuation for general governmental services, including the payment of principal and interest on general obligation long-term debt. The combined tax rate to finance general governmental services including the payment of principal and interest on long-term debt for the year ended September 30, 2017 was 85% per $100 of assessed valuation.

In Texas, countywide central appraisal districts are required to assess all property within the appraisal district on the basis of 100% of its appraised value and are prohibited from applying any assessment ratios. The value of property within the appraisal district must be reviewed every five years; however, the City may, at its own expense, require annual reviews of appraised values.

The City may challenge appraised values established by the appraisal district through various appeals and, if necessary, legal action. Under this legislation, the City continues to set tax rates on City property. However, if the effective tax rate, excluding tax rates for bonds and other contractual obligations, adjusted for new improvements, exceeds the rate for the previous year by more than 8%, qualified voters of the City may petition for an election to determine whether to limit the tax rate to no more than 8% above the tax rate of the previous year.

## NOTE 4. RECEIVABLES

Year-end receivables balances for the government's individual major funds and nonmajor funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

| | Governmental Activities | | | | Business-Type |
|---|---|---|---|---|---|
| Governmental Funds | General | General Obligation Debt Service | Non Major Governmental Funds | Total | Utility |
| Receivables | | | | | |
| Property taxes | $ 341,843 | $ 145,569 | $ - | $ 487,412 | $ - |
| Franchise taxes | 1,237,082 | - | - | 1,237,082 | - |
| Sales taxes | 937,661 | - | 463,365 | 1,401,026 | - |
| Accounts | 593,866 | - | - | 593,866 | 3,939,419 |
| Other | 477,860 | - | 22,035 | 499,895 | 219,997 |
| Gross receivables | 3,588,312 | 145,569 | 485,400 | 4,219,281 | 4,159,416 |
| Less: allowance | (345,308) | (38,101) | - | (383,409) | (1,196,461) |
| Net total receivables | $ 3,243,004 | $ 107,468 | $ 485,400 | $ 3,835,872 | $ 2,962,955 |

The Enterprise Fund accounts receivable balance includes unbilled charges for services rendered of $1,629,786 at September 30, 2017.

Receivables in the discretely presented component unit consist of $463,365 of sales taxes receivable due from the State and $426,015 in loans receivable from private businesses, and $70 of other. If certain contractual obligations are met by some of these private businesses at a future date, a portion and/or all of the amounts owed from the private businesses may be forgiven.

## NOTE 5. CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2017 was as follows:

Primary Government

| | Beginning Balance | Increases | Decreases | Transfers | Ending Balance |
|---|---|---|---|---|---|
| Governmental activities: | | | | | |
| Capital assets not being depreciated: | | | | | |
| Land | $ 36,676,310 | $ 1,436,604 | $ - | $ - | $ 38,112,914 |
| Other non-depreciable assets | 795,937 | - | - | 133,044 | 928,981 |
| Construction in progress | 8,070,384 | 4,618,773 | (42,863) | (9,807,104) | 2,839,190 |
| Total capital assets, not being depreciated | 45,542,631 | 6,055,377 | (42,863) | (9,674,060) | 41,881,085 |
| Capital assets being depreciated: | | | | | |
| Buildings | 49,259,691 | 25,424 | - | - | 49,285,115 |
| Improvements other than buildings | 178,187,941 | 8,247,039 | - | 9,674,060 | 196,109,040 |
| Machinery and equipment | 13,553,793 | 1,668,853 | (372,017) | - | 14,850,629 |
| Total capital assets being depreciated | 241,001,425 | 9,941,316 | (372,017) | 9,674,060 | 260,244,784 |
| Less accumulated depreciation for: | | | | | |
| Buildings | (10,425,082) | (1,577,576) | - | - | (12,002,658) |
| Improvements other than buildings | (70,637,833) | (6,262,223) | - | - | (76,900,056) |
| Machinery and equipment | (6,368,277) | (1,320,448) | 316,421 | - | (7,372,304) |
| Total accumulated depreciation | (87,431,192) | (9,160,247) | 316,421 | - | (96,275,018) |
| Total capital assets being depreciated, net | 153,570,233 | 781,069 | (55,596) | 9,674,060 | 163,969,766 |
| Governmental activities capital assets, net | $ 199,112,864 | $ 6,836,446 | $ (98,459) | $ - | $ 205,850,851 |

| | Beginning Balance | Increases | Decreases | Transfers | Ending Balance |
|---|---|---|---|---|---|
| Business-type activities: | | | | | |
| Capital assets not being depreciated: | | | | | |
| Land | $ 112,045 | $ - | $ - | $ - | $ 112,045 |
| Construction in progress | 123,680 | 157,745 | - | - | 281,425 |
| Total capital assets, not being depreciated | 235,725 | 157,745 | - | - | 393,470 |
| Capital assets being depreciated: | | | | | |
| Buildings | 3,889,427 | - | - | - | 3,889,427 |
| Water system | 41,955,108 | 893,365 | - | - | 42,848,473 |
| Sewer system | 33,978,709 | 2,387,155 | - | - | 36,365,864 |
| Machinery and equipment | 1,839,206 | 157,702 | - | - | 1,996,908 |
| Total capital assets being depreciated | 81,662,450 | 3,438,222 | - | - | 85,100,672 |
| Less accumulated depreciation for: | | | | | |
| Buildings | (565,112) | (129,648) | - | - | (694,760) |
| Water system | (13,203,361) | (1,031,712) | - | - | (14,235,073) |
| Sewer system | (12,984,440) | (854,776) | - | - | (13,839,216) |
| Machinery and equipment | (940,388) | (179,798) | - | - | (1,120,186) |
| Total accumulated depreciation | (27,693,301) | (2,195,934) | - | - | (29,889,235) |
| Total capital assets being depreciated, net | 53,969,149 | 1,242,288 | - | - | 55,211,437 |
| Business-type activities capital assets, net | $ 54,204,874 | $ 1,400,033 | $ - | $ - | $ 55,604,907 |

## NOTE 5. CAPITAL ASSETS - CONTINUED

Depreciation expense was charged to functions/programs of the primary government as follows:

| | |
|---|---|
| Governmental Activities: | |
| General government | $ 1,085,476 |
| Public safety | 1,199,958 |
| Streets | 5,149,013 |
| Community service | 1,725,800 |
| Total depreciation expense - governmental activities | $ 9,160,247 |
| | |
| Business-type activities: | |
| Water and Sewer | $ 2,195,934 |

### Construction Commitments

The City has active construction projects as of September 30, 2017. The projects include construction, park improvements, and drainage improvements.

Commitments for construction in progress are composed of the following:

| Project | Funding Source | Project Budget Appropriation | Spent-to-date | Remaining Commitment |
|---|---|---|---|---|
| Water Meter Replacements | (A) | $ 5,250,000 | $ - | $ 5,250,000 |
| Total | | $ 5,250,000 | $ - | $ 5,250,000 |

(A) Funded by Tax and Revenue Certificates of Obligation

## NOTE 6. TRANSFERS AND INTERFUND RECEIVABLES AND PAYABLES

Transfers are used to provide funds for debt service, contributions for capital construction, cost allocations and other operational costs as determined by the City's annual budget. Transfers between funds during the year were as follows:

| Transfer In | Transfer Out | Amount | Purpose |
|---|---|---|---|
| General Fund | Utility Fund | $ 2,112,861 | To cover indirect costs associated with Utility Fund operations |
| Nonmajor governmental funds | Nonmajor governmental funds | 386,000 | To 4B Sales Tax Fund to close-out the Rec Center Fund |
| General Fund | Nonmajor governmental funds | 35,000 | To Public Arts Fund to supplement costs associated with annual arts festivals |
| Capital Projects Fund | General Fund | 944,000 | To transfer money for construction of streets |
| | Total | $ 3,477,861 | |

## NOTE 7. UNEARNED REVENUE/DEFERRED INFLOWS OF RESOURCES

Governmental funds report *deferred inflows of resources* in connection with receivables for revenue that is not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned (unearned revenue). At the end of the current fiscal year, the various components of unearned revenue and deferred inflows of resources reported in the governmental funds were as follows:

| | General Fund | General Obligation Debt Service | Capital Projects Fund | Total |
|---|---|---|---|---|
| Deferred inflows of resources: | | | | |
| Property taxes | $ 212,707 | $ 86,808 | $ - | $ 299,515 |
| Court fines | 220,939 | - | - | 220,939 |
| Franchise fees | 1,026,130 | - | - | 1,026,130 |
| Total | $ 1,459,776 | $ 86,808 | $ - | $ 1,546,584 |
| Unearned revenue: | | | | |
| Advance construction payment | $ - | $ - | $ 1,051,024 | $ 1,051,024 |
| Total | $ - | $ - | $ 1,051,024 | $ 1,051,024 |

## NOTE 8. LONG-TERM DEBT

### General Obligation Bonds, Certificates of Obligation and Contractual Obligations

The City of Wylie issues general obligation bonds, certificates of obligation bonds, and contractual obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for both governmental and business-type activities. These issues are direct obligations and pledge the full faith and credit of the City.

| General Obligation Bonds | Final Maturity | Interest Rates | Governmental | Business-Type |
|---|---|---|---|---|
| $4,815,000 Series 2007 Improvements and Refunding | 2020 | 4.75 - 5.25% | $ 935,000 | $ - |
| $38,625,000 Series 2008 Improvements | 2028 | 4.00 - 5.50% | 1,825,000 | - |
| $10,160,000 Series 2010 Refunding | 2028 | 2.00 - 4.00% | 7,235,000 | 805,000 |
| $7,005,000 Series 2012 Refunding | 2029 | 2.00 - 3.25% | 6,620,000 | - |
| $7,400,000 Series 2013 Refunding | 2029 | 1.50 - 3.00% | 5,995,000 | - |
| $21,240,000 Series 2015 Refunding | 2027 | 2.00 - 5.00% | 20,110,000 | - |
| $34,250,000 Series 2016 Refunding | 2028 | 2.00 - 5.00% | 30,110,000 | 4,140,000 |
| Total General Obligation Bonds | | | $ 72,830,000 | $ 4,945,000 |

## NOTE 8. LONG-TERM DEBT – CONTINUED

### General Obligation Bonds, Certificates of Obligation and Contractual Obligations - Continued

| Combination Tax and Revenue Bonds | Final Maturity | Interest Rates | Governmental | Business-Type |
|---|---|---|---|---|
| $15,000,000 Series 2008 Improvements | 2028 | 4.10 - 5.50% | $ 710,000 | $ - |
| $525,000 Series 2010 Improvements | 2025 | 2.00 - 4.00% | 455,000 | - |
| $7,175,000 Series 2017 Improvements | 2025 | 2.00 - 4.00% | - | 7,175,000 |
| Total Combination Tax and Revenue Bonds | | | $ 1,165,000 | $ 7,175,000 |

| Contractual Obligations | Final Maturity | Interest Rates | Governmental | Business-Type |
|---|---|---|---|---|
| $1,565,000 Series 2012 Improvements | 2032 | 2.00 - 3.25% | $ 1,260,000 | $ - |
| Total Contractual Obligations | | | $ 1,260,000 | $ - |

### Changes in Long-term Liabilities:

A summary of long-term debt transactions, including current portion, for the year ended September 30, 2017, is as follows:

| | Beginning Balance | Additions | Reductions | Ending Balance | Amount Due within One year |
|---|---|---|---|---|---|
| Governmental activities: | | | | | |
| General obligation bonds | $ 77,140,000 | $ - | $ (4,310,000) | $ 72,830,000 | $4,565,000 |
| Combination tax and revenue bonds | 1,850,000 | - | (685,000) | 1,165,000 | 720,000 |
| Contractual obligations | 1,325,000 | - | (65,000) | 1,260,000 | 65,000 |
| Unamortized bond premium (discount) | 9,172,750 | - | (836,719) | 8,336,031 | - |
| Total bonds payable | 89,487,750 | - | (5,896,719) | 83,591,031 | 5,350,000 |
| Capital leases | - | 1,130,553 | (237,819) | 892,734 | 214,698 |
| Compensated absences | 1,741,957 | 1,638,624 | (1,358,524) | 2,022,057 | 1,402,369 |
| Net pension liability | 12,013,971 | 1,048,026 | - | 13,061,997 | - |
| Total governmental activities | $ 103,243,678 | $ 3,817,203 | $ (7,493,062) | $ 99,567,819 | $6,967,067 |

## NOTE 8. LONG-TERM DEBT – CONTINUED

### Changes in Long-term Liabilities - continued

| | Beginning Balance | Additions | Reductions | Ending Balance | Amount Due within One year |
|---|---|---|---|---|---|
| Business-type activities: | | | | | |
| General obligation bonds | $ 5,315,000 | $ - | $ (370,000) | $ 4,945,000 | $ 615,000 |
| Combination tax and revenue bonds | 370,000 | 7,175,000 | (370,000) | 7,175,000 | - |
| Unamortized bond premium (discount) | 665,171 | 165,240 | - | 830,411 | - |
| Total bonds payable | 6,350,171 | 7,340,240 | (740,000) | 12,950,411 | 615,000 |
| Compensated absences | 115,358 | 182,792 | (178,538) | 119,612 | 82,955 |
| Net pension liability | 1,283,793 | 105,980 | - | 1,389,773 | - |
| Total business-type activities | $ 7,749,322 | $ 7,629,012 | $ (918,538) | $ 14,459,796 | $ 697,955 |

The annual aggregate maturities for each bond type are as follows:

General Obligation Bonds

| Fiscal Year Ending September 30, | Governmental Activities | | | Business Activities | | |
|---|---|---|---|---|---|---|
| | Principal | Interest | Total | Principal | Interest | Total |
| 2018 | 4,565,000 | 2,928,763 | $ 7,493,763 | 615,000 | 199,425 | $ 814,425 |
| 2019 | 5,365,000 | 2,755,376 | 8,120,376 | 630,000 | 180,338 | 810,338 |
| 2020 | 5,670,000 | 2,559,707 | 8,229,707 | 550,000 | 156,138 | 706,138 |
| 2021 | 5,980,000 | 2,337,588 | 8,317,588 | 420,000 | 134,038 | 554,038 |
| 2022 | 6,205,000 | 2,125,650 | 8,330,650 | 435,000 | 119,319 | 554,319 |
| 2023-2027 | 35,175,000 | 6,219,401 | 41,394,401 | 2,295,000 | 298,125 | 2,593,125 |
| 2028-2031 | 9,870,000 | 251,531 | 10,121,531 | - | - | - |
| Total | $ 72,830,000 | $ 19,178,016 | $ 92,008,016 | $ 4,945,000 | $ 1,087,383 | $ 6,032,383 |

Combination Tax and Revenue Bonds

| Fiscal Year Ending September 30, | Governmental Activities | | | Business Activities | | |
|---|---|---|---|---|---|---|
| | Principal | Interest | Total | Principal | Interest | Total |
| 2018 | $ 720,000 | $ 30,100 | $ 750,100 | $ - | $ 285,282 | $ 285,282 |
| 2019 | 10,000 | 15,600 | 25,600 | 50,000 | 240,019 | 290,019 |
| 2020 | 10,000 | 15,300 | 25,300 | 100,000 | 238,519 | 338,519 |
| 2021 | 10,000 | 14,988 | 24,988 | 310,000 | 234,419 | 544,419 |
| 2022 | 100,000 | 13,200 | 113,200 | 320,000 | 228,119 | 548,119 |
| 2023-2027 | 315,000 | 18,263 | | 1,750,000 | 953,594 | |
| 2028-2032 | - | - | | 2,090,000 | 591,188 | |
| 2033-2027 | - | - | - | 2,555,000 | 219,566 | 2,774,566 |
| Total | $ 1,165,000 | $ 107,451 | $ 939,188 | $ 7,175,000 | $ 2,990,704 | $ 4,780,923 |

Contractual Obligations

| Fiscal Year Ending September 30, | Governmental Activities | | | Business Activities | | |
|---|---|---|---|---|---|---|
| | Principal | Interest | Total | Principal | Interest | Total |
| 2018 | $ 65,000 | $ 38,100 | $ 103,100 | $ - | $ - | $ - |
| 2019 | 70,000 | 36,075 | 106,075 | - | - | - |
| 2020 | 70,000 | 33,975 | 103,975 | - | - | - |
| 2021 | 75,000 | 31,800 | 106,800 | - | - | - |
| 2022 | 75,000 | 29,550 | 104,550 | - | - | - |
| 2023-2027 | 420,000 | 108,813 | 528,813 | - | - | - |
| 2028-2032 | 485,000 | 37,538 | 522,538 | - | - | - |
| Total | $ 1,260,000 | $ 315,851 | $ 1,575,851 | $ - | $ - | $ - |

## NOTE 8. LONG-TERM DEBT – CONTINUED

Capital Leases

| Fiscal Year Ending September 30, | Governmental Activities | | | Business Activities | | |
|---|---|---|---|---|---|---|
| | Principal | Interest | Total | Principal | Interest | Total |
| 2018 | $ 214,698 | $ 23,121 | $ 237,819 | $ - | $ - | $ - |
| 2019 | 220,258 | 17,561 | 237,819 | - | - | - |
| 2020 | 225,963 | 11,856 | 237,819 | - | - | - |
| 2021 | 231,815 | 6,004 | 237,819 | - | - | - |
| Total | $ 892,734 | $ 58,542 | $ 951,276 | $ - | $ - | $ - |

During the year ended September 30, 2017, the City issued $7,175,000 Certificates of Obligation Bond, Series 2017. Proceeds from the sale of the Certificates will be used for improving and extending the City's Waterworks and Sewer System.

During the year ended September 30, 2017, the City entered into a capital lease agreement to finance the acquisition of equipment with historical cost of $1,130,553. The Equipment has been capitalized and reported as capital assets of the governmental activities.

### Advance Refunding

During the year ended September 30, 2016, the City issued General Obligation Refunding Bonds, Series 2016. As a result of this transaction, $23,905,000 of general obligation bonds and $9,280,000 of combination tax and revenue certificates of obligation of governmental activities, and $4,690,000 of combination tax and revenue certificates of obligation of business-type activities were refunded and are considered legally defeased. As such, they are no longer included as liabilities in the City's basic financial statements. At the end of September 30, 2017, $37,875,000 of the refunded debt remained outstanding and will be repaid by the escrow agent.

### Compensated Absences

Compensated absences represent the estimated liability for employees' accrued sick and vacation leave for which employees are entitled to be paid upon termination. The retirement of this liability is typically paid from the General Fund and Enterprise Funds based on the assignment of an employee at termination.

### Discretely Presented Component Unit – Wylie Economic Development Corporation (WEDC)

The following is a summary of WEDC long-term transactions for the year ended September 30, 2017:

| Description | Balance 9/30/2016 | Increases | Decreases | Balance 9/30/2017 | Due Within One Year |
|---|---|---|---|---|---|
| Loans payable | $3,636,505 | $ 2,300,000 | $ (1,673,995) | $ 4,262,510 | $ 943,659 |
| Compensated Absences | 84,694 | 17,477 | (11,291) | 90,880 | 63,028 |
| Net pension liability | 188,812 | 23,551 | - | 212,363 | - |
| Total long-term liabilities | $3,910,011 | $ 2,341,028 | $ (1,685,286) | $ 4,565,753 | $1,006,687 |

## NOTE 8. LONG-TERM DEBT – CONTINUED

### Discretely Presented Component Unit – Wylie Economic Development Corporation (WEDC) – Continued

WEDC Loans Payable as of September 30, 2017 are as follows:

| Description | Balance |
|---|---|
| $548,935, payable to bank, made December 2012, payable in monthly installments of $10,107 through November 28, 2017, including interest at 3.99%. | $ 20,995 |
| $400,000, payable to bank, made August 2014, payable in monthly installments of $7,332 through August 22, 2019, including interest at 3.77%. | 162,441 |
| $1,685,000, payable to bank, made September 2015, payable in monthly installments of $17,059 through September 2017, including interest at 4.00% | 502,426 |
| $967,000, payable to bank, made August 2014, payable in monthly installments of $13,268 through final payment of $31,407 on March 15, 2021, including interest at 2.61%. | 548,208 |
| $722,365, payable to bank, made December 2014, payable in monthly installments of $7,382.45 through final payment of $404,868 on December 10, 2019, including interest at | 552,873 |
| $387,317, payable to bank, made September 2015, payable in monthly installments of $8,745, including interest at 4.00%, through final payment on September 2, 2019. | 193,705 |
| $2,000,000, payable to bank, made November 2016, payable in monthly installments for the interests of $6,667 through November 2019 and then principal and interests payments of $20,249 through final payment in November 2021. | 2,000,000 |
| $300,000, payable to bank, made September 2016, payable in monthly installments of $3,109, including interest at 4.50%, through final payment in December 2026. | 281,862 |
| | $ 4,262,510 |

Annual debt service requirements to maturity for WEDC debt is:

| Year | Principal | Interest | Total |
|---|---|---|---|
| 2018 | $ 943,659 | $ 139,229 | $ 1,082,888 |
| 2019 | 414,464 | 127,738 | 542,202 |
| 2020 | 741,359 | 98,165 | 839,524 |
| 2021 | 296,252 | 81,793 | 378,045 |
| 2022 | 1,722,707 | 18,644 | 1,741,351 |
| 2023-2026 | 144,069 | 14,486 | 158,555 |
| Total | $ 4,262,510 | $ 480,055 | $ 4,742,565 |

## NOTE 9. PENSION PLAN

### A. Plan Description

The City participates as one of 866 plans in the nontraditional, joint contributory, hybrid defined benefit pension plan administered by the Texas Municipal Retirement System (TMRS). TMRS is an agency created by the State of Texas and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code (the TMRS Act) as an agent multiple-employer retirement system for municipal employees in the State of Texas. The TMRS Act places the general administration and management of the System with a six-member Board of Trustees. Although the Governor, with the advice and consent of the Senate, appoints the Board, TMRS is not fiscally dependent on the State of Texas. TMRS' defined benefit pension plan is a tax-qualified plan under Section 401(a) of the Internal Revenue Code. TMRS issues a publicly available comprehensive annual financial report (CAFR) that can be obtained at www.tmrs.com.

All eligible employees of the City are required to participate in TMRS.

## NOTE 9. PENSION PLAN - CONTINUED

### B. Benefits Provided

TMRS provides retirement, disability, and death benefits. Benefit provisions are adopted by the governing body of the City, within the options available in the state statutes governing TMRS.

At retirement, the benefit is calculated as if the sum of the employee's contributions, with interest, and the city-financed monetary credits with interest were used to purchase an annuity. Members may choose to receive their retirement benefit in one of seven payments options. Members may also choose to receive a portion of their benefit as a Partial Lump Sum Distribution in an amount equal to 12, 24, or 36 monthly payments, which cannot exceed 75% of the member's deposits and interest.

At the date the plan began, the City granted monetary credits for service rendered before the plan began of a theoretical amount at least equal to two times what would have been contributed by the employee, with interest, prior to establishment of the plan. Monetary credits for service since the plan began are a percent (100%, 150%, or 200%) of the employee's accumulated contributions. In addition, the City can grant, as often as annually, another type of monetary credit referred to as an updated service credit which is a theoretical amount which, when added to the employee's accumulated contributions and the monetary credits for service since the plan began, would be the total monetary credits and employee contributions accumulated with interest if the current employee contribution rate and city matching percent had always been in existence and if the employee's salary had always been the average of his salary in the last three years that are one year before the effective date. At retirement, the benefit is calculated as if the sum of the employee's accumulated contributions with interest and the employer-financed monetary credits with interest were used to purchase an annuity.

Members can retire at ages 60 and above with 5 or more years of service or with 20 years of service. A member is vested after 5 years. The plan provisions are adopted by the governing body of the City, within the options available in the state statutes governing TMRS and within the actuarial constraints also in the statutes.

At the December 31, 2016 valuation and measurement date, the following employees were covered by the benefit terms:

| | |
|---|---|
| Inactive employees or beneficiaries currently receiving benefits | 84 |
| Inactive employees entitled to but not yet receiving benefits | 142 |
| Activity employees | 304 |
| | 530 |

### C. Contributions

The contribution rates for employees in TMRS are either 5%, 6%, or 7% of employee gross earnings, and the city matching percentages are either 100%, 150%, or 200%, both as adopted by the governing body of the city. Under the state law governing TMRS, the contribution rate for each city is determined annually by the actuary, using the Entry Age Normal (EAN) actuarial cost method. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

## NOTE 9. PENSION PLAN - CONTINUED

### C. Contributions - Continued

Employees for the City were required to contribute 7% of their annual gross earnings during the fiscal year. The contribution rates for the City were 14.57% and 15.08% in calendar years 2016 and 2017, respectively. The City's contributions to TMRS for the year ended September 30, 2017 (including $58,060 of contributions by WEDC) were $2,924,821, and were equal to the required contributions.

### D. Net Pension Liability

The City's Net Pension Liability (NPL) was measured as of December 31, 2016 and the Total Pension Liability (TPL) used to calculate the NPL was determined by an actuarial valuation as of that date.

**Actuarial Assumptions:**

The Total Pension Liability in the December 31, 2016 actuarial valuation was determined using the following actuarial assumptions:

| | |
|---|---|
| Inflation | 2.5% per year |
| Overall payroll growth | 3.0% per year |
| Investment Rate of Return | 6.75%, net of pension plan investment expense, including inflation |

Salary increases were based on a service-related table. Mortality rates for active members, retirees, and beneficiaries were based on the gender distinct RP2000 Combined Healthy Mortality Table, which male rates multiplied by 109% and female rates multiplied by 103%. The rates are projected on a fully generational basis by scale BB to account for future mortality improvements. For disabled annuitants, the gender-distinct RP2000 Combined Healthy Mortality Tables with Blue Collar Adjustment are used with males rates multiplied by 109% and female rates multiplied by 103% with a 3-year set-forward for both males and females. In addition, a 3% minimum mortality rate is applied to reflect the impairment for younger members who become disabled. The rates are projected on a fully generational basis by scale BB to account for future mortality improvements subject to the 3% floor.

Actuarial assumptions used in the December 31, 2016, valuation were based on the results of actuarial experience studies. The experience study in TMRS was for the period December 31, 2010 through December 31, 2014. Healthy post-retirement mortality rates and annuity purchase rates were updated based on a Mortality Experience Investigation Study covering 2009 through 2011, and dated December 31, 2013. These assumptions were first used in the December 31, 2013 valuation, along with a change to the Entry Age Normal (EAN) actuarial cost method. Assumptions are reviewed annually. No additional changes were made for the 2014 valuation. After the Asset Allocation Study analysis and experience investigation study, the Board amended the long-term expected rate of return on pension plan investments from 7% to 6.75%. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income, in order to satisfy the short-term and long-term funding needs of TMRS.

## NOTE 9. PENSION PLAN – CONTINUED

### C. Net Pension Liability – Continued

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. In determining their best estimate of a recommended investment return assumption under the various alternative asset allocation portfolios, GRS focused on the area between (1) arithmetic mean (aggressive) without an adjustment for time(conservative) and (2) the geometric mean (conservative) with an adjustment for time (aggressive). At its meeting on July 30, 2016, the TMRS Board approved a new portfolio target allocation.

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

| Asset Class | Target Allocation | Long-Term Expected Real Rate of Return (Arithmetic) |
|---|---|---|
| Domestic Equity | 17.5% | 4.55% |
| International Equity | 17.5% | 6.10% |
| Core Fixed Income | 10.0% | 1.00% |
| Non-Core Fixed Income | 20.0% | 3.65% |
| Real Return | 10.0% | 4.03% |
| Real Estate | 10.0% | 5.00% |
| Absolute Return | 10.0% | 4.00% |
| Private Equity | 5.0% | 8.00% |
| Total | 100.0% | |

#### Discount Rate

The discount rate used to measure the Total Pension Liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rates specified in statute. Based on that assumption, the pension plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability.

#### Allocations

The City's net pension liability, pension expense, and deferred outflows of resources related to TMRS have been allocated between governmental activities, business-type activities, and the discretely presented component unit using a contribution-based method.

## NOTE 9. PENSION PLAN - CONTINUED

### D. Net Pension Liability – Continued

#### Changes in the Net Pension Liability

| | Increase (Decrease) | | |
|---|---|---|---|
| | Total Pension Liability (a) | Plan Fiduciary Net Position (b) | Net Pension Liability (a) - (b) |
| Balance at 12/31/2015 | $ 55,739,862 | 42,253,286 | $ 13,486,576 |
| Changes for the year: | | | |
| Service Cost | - | - | - |
| Interest | 3,725,815 | - | 3,725,815 |
| Change of benefit terms | - | - | - |
| Difference between expected and actual experience | 4,180,949 | - | 4,180,949 |
| Changes of assumptions | - | - | - |
| Contributions - employer | - | (1,085,194) | 1,085,194 |
| Contributions - employee | - | 2,630,201 | (2,630,201) |
| Net investment income | - | 1,274,657 | (1,274,657) |
| Benefit payments, including refunds of employee contributions | (1,085,194) | 2,858,337 | (3,943,531) |
| Administrative expense | - | (32,250) | 32,250 |
| Other changes | - | (1,738) | 1,738 |
| Net Changes | 6,821,570 | 5,644,013 | 1,177,557 |
| Balance at 12/31/16 | $ 62,561,432 | $ 47,897,299 | $ 14,664,133 |

#### Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the City, calculated using the discount rate of 6.75%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (5.75%) or 1 percentage-point higher (7.75%) than the current rate:

| | 1% Decrease in Discount Rate (5.75%) | Discount Rate (6.75%) | 1% Increase in Discount Rate (7.75%) |
|---|---|---|---|
| City | $ 25,278,482 | $ 14,451,770 | $ 5,753,889 |
| WEDC | 371,457 | 212,363 | 84,551 |
| Total | $ 25,649,939 | $ 14,664,133 | $ 5,838,440 |

#### Pension Plan Fiduciary Net Position

Detailed information about the pension plan's Fiduciary Net Position is available in a separately-issued TMRS financial report. That report may be obtained at www.tmrs.com.

## NOTE 9. PENSION PLAN - CONTINUED

### E. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended September 30, 2017, the City recognized pension expense of $1,019,773 (including $20,395 recognized by WEDC). At September 30, 2017, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| | City | | WEDC | | Total | |
|---|---|---|---|---|---|---|
| | Deferred Outflows of Resources | Deferred Inflows of Resources | Deferred Outflows of Resources | Deferred Inflows of Resources | Deferred Outflows of Resources | Deferred Inflows of Resources |
| Differences between expected and actual economic experience | 3,627,754 | | $ 60,360 | | $ 3,688,114 | $ - |
| Changes in actuarial assumptions | | 158,398 | | $ 1,989 | - | 160,387 |
| Difference between projected and actual investment earnings | 1,782,196 | | 29,531 | | 1,811,727 | - |
| Contributions subsequent to the measurement date | 2,230,309 | | 36,956 | | 2,267,265 | - |
| Total | $ 7,640,259 | $ 158,398 | $ 126,847 | $ 1,989 | $ 7,767,106 | $ 160,387 |

The $2,267,265 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will reduce the net pension liability during the year ending September 30, 2018. The other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

| Fiscal Year Ended Sept. 30: | |
|---|---|
| 2018 | $ 1,386,724 |
| 2019 | 1,386,726 |
| 2020 | 1,296,336 |
| 2021 | 724,329 |
| 2022 | 545,338 |
| Total | $ 5,339,453 |

## NOTE 10. NORTH TEXAS MUNCIPAL WATER DISTRICT

The North Texas Municipal Water District (the District) is a conservation and reclamation district and political subdivision of the State of Texas, created and functioning under Chapter 62, Acts of 1951, 52nd Legislature, Regular Session, as amended, originally complied as Vernon's Article 8270-141 (the Act), pursuant to Article 16, Section 59 of the Texas Constitution. The District comprises all of the territory of its member cities, viz., Allen, Garland, Princeton, Plano, Mesquite, Wylie, Rockwall, Farmersville, McKinney, Richardson, Forney and Royse City (the "Member Cities"). The District was created for the purpose of providing a source of water supply for municipal, domestic and industrial use and for the treatment processing and transportation of such water to its Member Cities and to its other customers located in North Central Texas, all within the Dallas Standard Metropolitan Statistical Area.

## NOTE 10. NORTH TEXAS MUNCIPAL WATER DISTRICT – CONTINUED

Under the Act, including specifically Section 27 thereof, and under the Constitution and Statues of the State of Texas, the District has broad powers to (1) impound, control, store, preserve, treat, transmit, and use storm and flood water, the water of rivers and streams and underground water, for irrigation, power and all other useful purposes and to supply water for municipal, domestic, power, industrial and commercial uses and purposes and all other beneficial uses and purposes; and (2) collect, transport, process, treat, dispose of, and control all municipal, domestic, industrial or commercial waste whether in fluid, solid or composite state, including specifically the control, abatement or reduction of all types of pollution. The City retains no ongoing financial interest equity investments and/or responsibilities for the District other than the contractual arrangements discussed more fully herein.

## NOTE 11. MUDDY CREEK REGIONAL WASTEWATER SYSTEM

In May 1999, the Cities of Wylie and Murphy in Collin County entered into a contract with the District to provide for the acquisition, construction, improvement, operation, and maintenance of the Regional Muddy Creek Wastewater System (System) for the purpose of providing facilities to adequately receive, transport, treat, and dispose of wastewater. The District will own the System with Wylie and Murphy as the initial participants. The District will issue approximately $20 million in bonds to construct this new facility. Budget calculations for operating costs and debt service for the System on the service commencement date is based on the following estimated flow ratio: City of Wylie – 2/3 and Murphy – 1/3. "Service Commencement Date" means the first date upon which the System is available to treat wastewater from the participants. Wylie's long-term commitment to the System's debt service component is approximately $13.3 million.

The District will send each participant a letter detailing the annual requirement necessary to operate the System each year. The annual requirement budget will include an operation and maintenance component and a bond service component. The budgeting ratio described earlier is only valid for the first year of System operations. In subsequent years, budgets and year-end audits will be based on actual flow ratios. For example, if the flow measurements indicate that 60% of the flow is produced by Wylie and 40% by Murphy, then the next year's operating and debt service components would be allocated using a 60/40 split. If in the future, additional participants are added, then the flow ratios will be adjusted using the above method.

The contract with the District has a clause for "Credit for Payments Relating to the System." This clause states: "Each participant shall be entitled to a credit in an amount equal to any funds advanced by such Participant with the approval of the District for land, engineering, construction or other costs related to the System and/or the financing thereof". All credits for advance made prior to the Service Commencement Date shall bear interest from the date of such advance at a rate equal to the net effective interest rate on the initial issue of the bonds hereunder. The City of Wylie has four such credits at this time. All credits for advances made prior to the Service Commencement Date shall be amortized over a period of twenty years, with such amortization to commence on October 1 of the Fiscal Year following the Service Commencement Date. At September 30, 2005, the City recorded $3,188,849 as a restricted accounts receivable. This amount is being amortized over a twenty-year period commencing with fiscal year 2006. The amortization was $164,935 for 2017, leaving an unamortized balance of $1,603,161 as of September 30, 2017.

## NOTE 12. CONTINGENT LIABILITIES

Amounts received or receivable from grantor agencies are subject to audit and adjustment by such agencies. Any disallowed claims, including amounts already collected may constitute a liability of the applicable funds. The amounts, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the City expects such amounts, if any, to be immaterial.

## NOTE 12. CONTINGENT LIABILITIES – CONTINUED

The City periodically is a defendant in various lawsuits. At September 30, 2017, after consultation with the City's attorney, the City is not aware of any pending litigation.

As described in Note 8 above, the general revenues of the City are contingently liable for the $4,945,000 payable in General Obligation Bonds which are currently outstanding and recorded as obligations of the Enterprise Fund.

The City contracts for garbage disposal with a third party. Under the terms of the agreement the City bills and collects the residential billing and remits that amount to the contracting party. The contractor bills the commercial customers and remits a franchise fee to the City based on total revenues received from the contract.

The Wylie Economic Development Corporation provides monetary incentives to companies to relocate within the City of Wylie. At September 30, 2017, these commitments totaled approximately $832,000.

## NOTE 13. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; employee health benefits; and other claims of various natures. The City purchases commercial insurance to indemnify it in event of loss. For the past three years, settlements did not exceed coverage.

## NOTE 14. TAX ABATEMENTS

The City enters into economic development agreements authorized under Chapter 380 of the Texas Local Government Code and Chapter 312 of the Texas Tax Code. These agreements are planning tools designed to stimulate economic activity, redevelopment, community improvement, and provide a return on investment for the community. These programs abate or rebate property and/or sales taxes and may include other incentive payments such as fee reductions or construction costs reimbursements. Economic development agreements are considered on a case by case basis by the City Council and generally contain recapture provisions which may require repayment or termination if recipients do not meet the required provisions of the economic incentives.

Other Economic Agreements

Chapter 380 of the Texas Local Government Code allows the City to provide grants for the purpose of promoting local economic development. These grants are based on a percentage of property and/or sales tax received by the City. For the fiscal year ending September 30, 2017, the City rebated $483,438 in sales taxes.

## NOTE 14. CONDENSED FINANCIAL INFORMATION FOR DISCRETELY PRESENTED COMPONENT UNIT

Following is selected condensed financial statement information for the fund basis financial statements of the Wylie Economic Development Corporation:

| Balance Sheet | WEDC |
|---|---|
| Assets | |
| Cash and equivalents | $ 886,200 |
| Receivables | 889,450 |
| Inventory | 8,329,086 |
| Prepaids | 2,000 |
| Total Assets | $ 10,106,736 |
| Liabilities | |
| Accounts payable | $ 162,670 |
| Unearned revenue | 216,348 |
| Total Liabilities | 379,018 |
| Fund Balance | 9,727,718 |
| Total Liabilities and Fund Balance | $ 10,106,736 |

| Statement of Revenues, Expenditures and Changes in Fund Balance | WEDC |
|---|---|
| Revenues: | |
| Sales tax revenue | $ 2,627,376 |
| Interest income | 8,672 |
| Gain on sale of inventory | 672,348 |
| Miscellaneous income | 129,852 |
| Total Revenues | 3,438,248 |
| Expenditures: | |
| Expenditures | 4,239,889 |
| Other financing sources: | |
| Note proceeds | 2,300,000 |
| Net change in fund balance | 1,498,359 |
| Fund balance 10/1/2016 | 8,229,359 |
| Fund balance 9/30/2017 | $ 9,727,718 |

## NOTE 14. CONDENSED FINANCIAL INFORMATION FOR DISCRETELY PRESENTED COMPONENT UNIT – CONTINUED

Following are reconciliations between the government-wide financial statements and the fund basis financial statements for WEDC:

Reconciliation of fund balance to net position:

| | | |
|---|---|---|
| Total fund balance | $ | 9,727,718 |
| Deferred outflows - pensions | | 126,847 |
| Deferred inflows - pensions | | (1,989) |
| Payables for compensated absences | | (90,880) |
| Accrued interest payable | | (4,848) |
| Payable for loan principal not currently due and net pension liability | | (4,474,873) |
| Net position | $ | 5,281,975 |

Reconciliation of change in fund balance to change in net position:

| | | |
|---|---|---|
| Change in fund balance | $ | 1,498,359 |
| Change in payables for compensated absences | | (6,187) |
| Change in accrued interest payable | | (217) |
| Net effect of GASB 68 implementation | | 37,665 |
| New loan proceeds | | (2,300,000) |
| Payment of loan principal | | 1,673,996 |
| Change in net position | $ | 903,616 |

## NOTE 15. LAND ACQUISITION

The discrete component unit owns property with a carrying value of $8,329,086. This property is recorded as inventory and held as an incentive to attract businesses.

# REQUIRED SUPPLEMENTARY INFORMATION

**CITY OF WYLIE, TEXAS** **EXHIBIT A-10**
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES**
**IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL – GENERAL FUND**
**FOR THE YEAR ENDED SEPTEMBER 30, 2017**

| | Budgeted Amounts | | | |
|---|---|---|---|---|
| | Original | Final | Actual Amount | Variance with Final Budget - Positive (Negative) |
| **REVENUES** | | | | |
| Ad valorem taxes | $ 21,997,780 | $ 21,997,780 | $ 22,067,571 | $ 69,791 |
| Non-property taxes | 4,962,591 | 5,421,285 | 5,283,769 | (137,516) |
| Franchise fees | 2,680,000 | 2,680,000 | 2,686,550 | 6,550 |
| Licenses and permits | 811,000 | 811,000 | 1,130,011 | 319,011 |
| Intergovernmental | 818,645 | 818,645 | 861,326 | 42,681 |
| Services fees | 3,298,500 | 3,298,500 | 3,647,677 | 349,177 |
| Court fees | 570,800 | 570,800 | 557,320 | (13,480) |
| Interest income | 20,600 | 20,600 | 81,243 | 60,643 |
| Miscellaneous income | 210,500 | 199,500 | 289,487 | 89,987 |
| Total revenues | 35,370,416 | 35,818,110 | 36,604,954 | 786,844 |
| **EXPENDITURES** | | | | |
| Current | | | | |
| General government | | | | |
| City council | 114,462 | 114,462 | 79,675 | 34,787 |
| City manager | 856,726 | 889,328 | 852,646 | 36,682 |
| City secretary | 348,366 | 361,420 | 330,562 | 30,858 |
| City attorney | 155,000 | 155,000 | 92,247 | 62,753 |
| Finance | 1,141,523 | 1,435,774 | 1,393,311 | 42,463 |
| Building and fleet maintenance | 663,141 | 734,226 | 669,100 | 65,126 |
| Support services | - | - | - | - |
| Municipal court | 438,994 | 458,048 | 417,897 | 40,151 |
| Human resources | 468,877 | 430,120 | 409,461 | 20,659 |
| Purchasing | 156,815 | 162,788 | 158,199 | 4,589 |
| Information technology | 1,220,987 | 1,248,123 | 1,127,315 | 120,808 |
| Combined services/general | 5,585,232 | 5,562,793 | 5,147,017 | 415,776 |
| Total general government | 11,150,123 | 11,552,082 | 10,677,430 | 874,652 |
| Public safety | | | | |
| Police | 8,125,768 | 8,519,405 | 8,362,185 | 157,220 |
| Fire | 7,533,516 | 8,149,182 | 7,891,246 | 257,936 |
| Emergency communications | 1,864,537 | 1,597,581 | 1,295,335 | 302,246 |
| Animal control | 519,207 | 582,434 | 540,321 | 42,113 |
| Total public safety | 18,043,028 | 18,848,602 | 18,089,087 | 759,515 |
| Urban development | | | | |
| Planning | 604,465 | 608,757 | 588,702 | 20,055 |
| Building inspection | 591,546 | 579,140 | 479,882 | 99,258 |
| Code enforcement | 231,925 | 231,175 | 201,897 | 29,278 |
| Total urban development | 1,427,936 | 1,419,072 | 1,270,481 | 148,591 |
| Streets | | | | |
| Streets | 3,193,606 | 3,221,587 | 3,070,133 | 151,454 |
| Total streets | 3,193,606 | 3,221,587 | 3,070,133 | 151,454 |

| | | | | |
|---|---|---|---|---|
| Community service | | | | |
| Parks | $ 2,439,930 | $ 2,651,881 | $ 2,395,951 | $ 255,930 |
| Library | 1,815,199 | 1,913,416 | 1,859,472 | 53,944 |
| Total community service | 4,255,129 | 4,565,297 | 4,255,423 | 309,874 |
| Total expenditures | 38,069,822 | 39,606,640 | 37,362,554 | 2,244,086 |
| Excess (deficiency) of revenues over expenditures | (2,699,406) | (3,788,530) | (757,600) | 3,030,930 |
| **OTHER FINANCING SOURCES (USES)** | | | | |
| Transfers in | 2,147,861 | 2,147,861 | 2,147,861 | - |
| Transfers out | - | (944,000) | (944,000) | - |
| Capital leases issued | - | - | 1,130,553 | 1,130,553 |
| Insurance recovery | - | 14,853.00 | 926,376 | 911,523 |
| Proceeds from sale of property | - | - | 86,034 | 86,034 |
| Total other financing sources (uses) | 2,147,861 | 1,218,714 | 3,346,824 | 2,128,110 |
| Net change in fund balances | (551,545) | (2,569,816) | 2,589,224 | 5,159,040 |
| **Fund balances, October 1** | 17,191,455 | 17,191,455 | 17,191,455 | - |
| **Fund balances, September 30** | $ 16,639,910 | $ 14,621,639 | $ 19,780,679 | $ 5,159,040 |

## STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

The City follows the following procedures in establishing the budgetary date reflected in the financial statements:

1. Public hearings are conducted to obtain taxpayer comments.

2. Prior to October 1, the budget is legally enacted through passage of an ordinance.

3. The City Manager is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the City Council. Therefore the fund level is the legal level of control.

4. Budgeted amounts are as originally adopted or as amended by the City Council. During 2017, individual amendments were not material in relation to the original appropriations. All budget appropriations automatically lapse at year-end.

5. Formal budgetary integration is employed as a management control device during the year. The legally adopted budget is adopted on a basis consistent with generally accepted accounting principles.

**CITY OF WYLIE, TEXAS** **EXHIBIT A-11**
**TEXAS MUNICIPAL RETIREMENT SYSTEM**
**SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS**
**LAST TEN MEASUREMENT YEARS**
**(UNAUDITED)**

| | Measurement Year 2014 | Measurement Year 2015 | Measurement Year 2016 |
|---|---|---|---|
| Total pension liability: | | | |
| Service cost | $ 2,556,890 | $ 2,884,478 | $ - |
| Interest | 3,219,187 | 3,586,805 | 3,725,815 |
| Changes of benefit terms | - | - | - |
| Difference between expected and actual experience | 184,163 | 215,566 | 4,180,949 |
| Change in assumptions | - | (245,250) | - |
| Benefit payments, including refunds of employee contributions | (745,575) | (999,126) | (1,085,194) |
| Net change in total pension liability | 5,214,665 | 5,442,473 | 6,821,570 |
| Total pension liability - beginning | 45,082,724 | 50,297,389 | 55,739,862 |
| Total pension liability - ending (a) | 50,297,389 | 55,739,862 | 62,561,432 |
| Plan fiduciary net position: | | | |
| Contributions - employer | 2,058,618 | 2,291,479 | 2,630,201 |
| Contributions - employee | 1,102,273 | 1,149,849 | 1,274,657 |
| Net investment income | 2,024,176 | 58,730 | 2,858,337 |
| Benefit payments, including refunds of employee contributions | (745,575) | (999,126) | (1,085,194) |
| Administrative expense | (21,127) | (35,762) | (32,250) |
| Other | (1,737) | (1,766) | (1,738) |
| Net change in plan fiduciary net position | 4,416,628 | 2,463,404 | 5,644,013 |
| Plan fiduciary net position - beginning | 35,373,254 | 39,789,882 | 42,253,286 |
| Plan fiduciary net position - ending (b) | 39,789,882 | 42,253,286 | 47,897,299 |
| Net pension liability - ending (a) - (b) | $ 10,507,507 | $ 13,486,576 | $ 14,664,133 |
| Plan fiduciary net position as a percentage of total pension liability | 79.11% | 75.80% | 76.56% |
| Covered employee payroll | $ 15,746,759 | $ 16,426,414 | $ 18,184,351 |
| Net pension liability as a percentage of covered employee payroll | 66.73% | 82.10% | 80.64% |

Note: Only three years of data is presented in accordance with GASB #68, paragraph 138. “The information for all period for the 10-year schedules that are required to be presented as required supplementary information may be available initially. In these cases, during the transition period, that information should be presented for as many periods as are available. The schedules should not include information that is not measured in accordance with the requirements of this statement. Additional years’ information will be displayed as it becomes available.”

**CITY OF WYLIE, TEXAS** **EXHIBIT A-12**
**TEXAS MUNICIPAL RETIREMENT SYSTEM**
**SCHEDULE OF CONTRIBUTIONS**
**LAST TEN FISCAL YEARS**
**(UNAUDITED)**

| | Fiscal Year 2015 | Fiscal Year 2016 | Fiscal Year 2017 |
|---|---|---|---|
| Actuarially determined contribution | $ 2,235,994 | $ 2,611,189 | $ 2,924,821 |
| Contribution in relation to the actuarially determined contribution | 2,235,994 | 2,611,189 | 2,924,821 |
| Contribution deficiency (excess) | $ - | $ - | $ - |
| Covered employee payroll | $ 16,311,322 | $ 18,212,187 | $ 19,547,995 |
| Contributions as a percentage of covered employee payroll | 13.71% | 14.34% | 14.96% |

Note: GASB #68, paragraph 81.2.b requires that the data in this schedule be presented as of the City's fiscal year as opposed to the time period covered by the measurement date.

Note: Only three years of data is presented in accordance with GASB #68, paragraph 138. "The information for all periods for the 10-year schedules that are required to be presented as required supplementary information may not be available initially. In these cases, during the transition period, that information should be presented for as many periods as are available. The schedules should not include information that is not measured in accordance with the requirements of this statement. Additional years' information will be displayed as it becomes available."

**CITY OF WYLIE, TEXAS**
**NOTES TO TEXAS MUNICIPAL RETIREMENT SYSTEM REQUIRED SUPPLEMENTARY INFORMATION**
**FOR THE YEAR ENDED SEPTEMBER 30, 2017**

## VALUATION DATE:

Actuarial determined contribution rates are calculated as of December 31 each year and become effective in January, 12 months and one day later.

## METHODS AND ASSUMPTIONS USED TO DETERMINE CONTRIBUTION RATES:

| | |
|---|---|
| Actuarial Cost Method | Entry Age Normal |
| Amortization Method | Level Percentage of Payroll, Closed |
| Remaining Amortization Period | 30 years |
| Asset Valuation Method | 10 Year smoothed market; 15% soft corridor |
| Inflation | 2.50% |
| Salary Increases | 3.50% to 10.5% including inflation |
| Investment Rate of Return | 6.75% |
| Retirement Age | Experience-based table of rates that are specific to the City's plan of benefits. Last updated for the 2016 valuation pursuant to an experience study of the period 2010 - 2014 |
| Mortality | RP2000 Combined Mortality Table with Blue Collar Adjustment with male rates multiplied by 54.5% and female rates multiplied by 51.5% and projected on a fully generational basis with scale BB |

Other information: There were no benefit changes during the year.

CITY OF WYLIE
GULF, COLORADO &
SANTA FE RAILWAY
1887
STATE OF TEXAS

# COMBINING STATEMENTS AND BUDGETARY COMPARISON SCHEDULES

**CITY OF WYLIE, TEXAS** **EXHIBIT A-13**
**BUDGETARY COMPARISON SCHEDULE (GAAP BASIS)**
**GENERAL OBLIGATION DEBT SERVICE FUND**
**FOR THE YEAR ENDED SEPTEMBER 30, 2017**

| | Budgeted Amounts | | | Variance with Final Budget - |
|---|---|---|---|---|
| | Original | Final | Actual | Positive (Negative) |
| **REVENUES** | | | | |
| Ad valorem taxes | $ 7,993,594 | $ 7,993,594 | $ 7,995,077 | $ 1,483 |
| Interest income | 4,000 | 4,000 | 8,665 | 4,665 |
| Total revenues | 7,997,594 | 7,997,594 | 8,003,742 | 6,148 |
| **EXPENDITURES** | | | | |
| Debt service | | | | |
| Principal | 4,750,000 | 4,750,000 | 4,750,000 | - |
| Interest and fiscal charges | 3,107,713 | 3,107,713 | 3,106,264 | 1,449 |
| Total debt service | 7,857,713 | 7,857,713 | 7,856,264 | 1,449 |
| Net change in fund balances | 139,881 | 139,881 | 147,478 | 7,597 |
| Fund balances, October 1 | 785,865 | 785,865 | 785,865 | - |
| Fund balances, September 30 | $ 925,746 | $ 925,746 | $ 933,343 | $ 7,597 |

# NON-MAJOR GOVERNMENTAL FUNDS

## SPECIAL REVENUE FUNDS

**4B SALES TAX REVENUE FUND**
Accounts for sales tax monies specifically designated for promoting economic development within the City by developing, implementing, providing and financing park and recreation projects.

**PARKS ACQUISITION AND IMPROVEMENT FUND**
Accounts for the development and improvement of City Parks.

**FIRE TRAINING CENTER FUND**
Accounts for First Responder fees specifically designated for the construction of the Fire Training Center.

**FIRE DEVELOPMENT FEES FUND**
Accounts for contributions specifically designated for use of the fire department.

**MUNICIPAL COURT TECHNOLOGY FUND**
Accounts for court fines specifically designated for improvements in court technology.

**MUNICIPAL COURT BUILDING SECURITY FUND**
Accounts for court fines specifically designated for additions/improvements to court security.

**HOTEL TAX FUND**
Accounts for occupancy taxes charged by hotels.

**RECREATION FUND**
Accounts for fees charged for recreational services.

**FEDERAL SEIZURE FUND**
Accounts for the City's share of forfeiture proceeds at the federal level and is restricted for law enforcement additions/improvements only.

**JUDICIAL EFFICIENCY FUND**
Accounts for court fines specifically restricted to improving the efficiency of the administration of justice.

**TRUANCY COURT FUND**
Accounts for court fines designated for the efficiency of Juvenile Court truancy cases.

## DEBT SERVICE FUND

**4B DEBT SERVICE FUND 1996**
Accounts for the accumulation of resources to be used for the payment of principal and interest on the 4B Sales Tax Revenue Bonds – Series 1996.

**4B DEBT SERVICE FUND 2005**
Accounts for the accumulation of resources to be used for the payment of principal and interest on the 4B Sales Tax Revenue Bonds – Series 2005.

**CITY OF WYLIE, TEXAS**
**COMBINING BALANCE SHEET**
**NONMAJOR GOVERNMENTAL FUNDS**
**SEPTEMBER 30, 2017**

| | SPECIAL REVENUE FUNDS | | | | |
|---|---|---|---|---|---|
| | 4B Sales Tax Revenue | Park Acquisition and Improvement | Fire Training Center | Fire Development Fees | Municipal Court Technology |
| **ASSETS** | | | | | |
| Cash and cash equivalents | $ 2,592,379 | $ 509,602 | $ 142,967 | $ 2,085,372 | $ 21,394 |
| Receivables: (net of allowances for uncollectibles) | | | | | |
| Other | 16,842 | - | - | - | - |
| Sales tax | 463,365 | - | - | - | - |
| Total assets | $ 3,072,586 | $ 509,602 | $ 142,967 | $ 2,085,372 | $ 21,394 |
| **LIABILITIES AND FUND BALANCES** | | | | | |
| Accounts payable | $ 47,727 | $ - | $ 524 | $ - | $ - |
| Other payables and accruals | 32,518 | 2,328 | - | - | - |
| Total liabilities | 80,245 | 2,328 | 524 | - | - |
| **FUND BALANCES** | | | | | |
| Restricted | | | | | |
| Debt service | - | - | - | - | - |
| Economic development | 2,992,341 | - | - | - | - |
| Municipal court | - | - | - | - | 21,394 |
| Tourism | - | - | - | - | - |
| Law enforcement | - | - | - | - | - |
| Committed | | | | | |
| Park acquisition and improvement | - | 507,274 | - | - | - |
| Fire training | - | - | 142,443 | - | - |
| Fire development | - | - | - | 2,085,372 | - |
| Total fund balances | 2,992,341 | 507,274 | 142,443 | 2,085,372 | 21,394 |
| Total liabilities and fund balances | $ 3,072,586 | $ 509,602 | $ 142,967 | $ 2,085,372 | $ 21,394 |

| | | | | | | | DEBT SERVICE FUNDS | | |
|---|---|---|---|---|---|---|---|---|---|
| Municipal Court Building Security | Hotel Tax | Recreation | Federal Seizure | Judicial Efficiency | Truancy Court | 4B Debt Service 1996 | 4B Debt Service 2005 | Total Nonmajor Governmental Funds |
| $ 31,894 | $ 218,744 | $ - | $ 954 | $ 3,223 | $ 6,723 | $ 182,850 | $ 25,833 | $ 5,821,935 |
| - | 5,193 | - | - | - | - | - | - | 22,035 |
| - | - | - | - | - | - | - | - | 463,365 |
| $ 31,894 | $ 223,937 | $ - | $ 954 | $ 3,223 | $ 6,723 | $ 182,850 | $ 25,833 | $ 6,307,335 |
| $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ 48,251 |
| - | - | | - | - | - | - | - | 34,846 |
| - | - | - | - | - | - | - | - | 83,097 |
| - | - | - | - | - | - | 182,850 | 25,833 | 208,683 |
| - | - | - | - | - | - | - | - | 2,992,341 |
| 31,894 | - | - | - | 3,223 | 6,723 | - | - | 63,234 |
| - | 223,937 | - | | - | - | - | - | 223,937 |
| - | - | - | 954 | - | - | - | - | 954 |
| - | - | - | - | - | - | - | - | 507,274 |
| - | - | - | - | - | - | - | - | 142,443 |
| - | - | - | - | - | - | - | - | 2,085,372 |
| 31,894 | 223,937 | - | 954 | 3,223 | 6,723 | 182,850 | 25,833 | 6,224,238 |
| $ 31,894 | $ 223,937 | $ - | $ 954 | $ 3,223 | $ 6,723 | $ 182,850 | $ 25,833 | $ 6,307,335 |

## CITY OF WYLIE, TEXAS
## COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE- NONMAJOR GOVERNMENTAL FUNDS
## FOR THE YEAR ENDED SEPTEMBER 30, 2017

| | SPECIAL REVENUE FUNDS | | | | |
|---|---|---|---|---|---|
| | 4B Sales Tax Revenue | Park Acquisition and Improvement | Fire Training Center | Fire Development Fees | Municipal Court Technology |
| **REVENUES** | | | | | |
| Sales taxes | $ 2,627,376 | $ - | $ - | $ - | $ - |
| Intergovernmental | - | 360,841 | - | - | - |
| Service fees | 738,379 | - | 30,908 | - | - |
| Court fees | - | - | - | - | 11,979 |
| Development fees | - | 626,000 | - | 343,365 | - |
| Interest income | 6,820 | 2,483 | 540 | 6,345 | 85 |
| Miscellaneous income | 20,617 | - | - | - | - |
| Total revenues | 3,393,192 | 989,324 | 31,448 | 349,710 | 12,064 |
| **EXPENDITURES** | | | | | |
| Current: | | | | | |
| Public safety | - | - | 85,183 | 2,100 | 12,118 |
| Community service | 2,878,809 | 1,210,407 | - | - | - |
| Debt service | | | | | |
| Principal | - | - | - | - | - |
| Interest and fiscal charges | - | - | - | - | - |
| Total expenditures | 2,878,809 | 1,210,407 | 85,183 | 2,100 | 12,118 |
| Excess (deficiency) of revenues over (under) expenditures | 514,383 | (221,083) | (53,735) | 347,610 | (54) |
| Other financing sources (uses) | | | | | |
| Insurance recoveries | 518,523 | - | - | - | - |
| Transfers in | - | - | - | - | - |
| Transfers out | (386,000) | - | - | - | - |
| Total other financing sources (uses) | 132,523 | - | - | - | - |
| Net change in fund balances | 646,906 | (221,083) | (53,735) | 347,610 | (54) |
| Fund balances October 1, 2016 | 2,345,435 | 728,357 | 196,178 | 1,737,762 | 21,448 |
| Fund balances September 30, 2017 | $ 2,992,341 | $ 507,274 | $ 142,443 | $ 2,085,372 | $ 21,394 |

**EXHIBIT B-2**

| | | | | | | | DEBT SERVICE FUNDS | | |
|---|---|---|---|---|---|---|---|---|---|
| Municipal Court Building Security | Hotel Tax | Recreation | Federal Seizure | Judicial Efficiency | Truancy Court | 4B Debt Service 1996 | 4B Debt Service 2005 | Total Nonmajor Governmental Funds |
| $ - | $ 82,308 | $ - | $ - | $ - | $ - | $ - | $ - | $ 2,709,684 |
| - | - | - | - | - | - | - | - | 360,841 |
| - | - | - | - | - | - | - | - | 769,287 |
| 8,984 | - | - | - | 885 | 3,250 | - | - | 25,098 |
| - | - | - | - | - | - | - | - | 969,365 |
| 93 | 655 | - | - | 9 | 19 | 609 | 450 | 18,108 |
| - | - | - | - | - | - | - | - | 20,617 |
| 9,077 | 82,963 | - | - | 894 | 3,269 | 609 | 450 | 4,873,000 |
| 1,665 | - | - | - | - | - | - | - | 101,066 |
| - | 15,000 | - | - | | | - | - | 4,104,216 |
| - | - | - | - | - | - | - | 310,000 | 310,000 |
| - | - | - | - | - | - | - | 75,050 | 75,050 |
| 1,665 | 15,000 | - | - | - | - | - | 385,050 | 4,590,332 |
| 7,412 | 67,963 | - | - | 894 | 3,269 | 609 | (384,600) | 282,668 |
| - | - | - | - | - | - | - | - | 518,523 |
| - | - | - | - | - | - | - | 386,000 | 386,000 |
| - | (35,000) | - | - | - | - | - | - | (421,000) |
| - | (35,000) | - | - | - | - | - | 386,000 | 483,523 |
| 7,412 | 32,963 | - | - | 894 | 3,269 | 609 | 1,400 | 766,191 |
| 24,482 | 190,974 | | 954 | 2,329 | 3,454 | 182,241 | 24,433 | 5,458,047 |
| $ 31,894 | $ 223,937 | $ - | $ 954 | $ 3,223 | $ 6,723 | $ 182,850 | $ 25,833 | $ 6,224,238 |

**CITY OF WYLIE, TEXAS** **EXHIBIT C-1**
**BUDGETARY COMPARISON SCHEDULE (GAAP BASIS)**
**4B SALES TAX REVENUE FUND**
**SPECIAL REVENUE FUND**
**FOR THE YEAR ENDED SEPTMEBER 30, 2017**

| | Budgeted Amounts | | | |
|---|---|---|---|---|
| | Original | Final | Actual | Variance with Final Budget Positive (Negative) |
| **REVENUES** | | | | |
| Sales taxes | $ 2,467,295 | $ 2,696,642 | $ 2,627,376 | $ (69,266) |
| Service fees | 659,000.00 | 659,000.00 | 738,379.00 | 79,379 |
| Interest income | 2,500 | 2,500 | 6,820 | 4,320 |
| Miscellaneous income | 20,000 | 20,000 | 20,617 | 617 |
| Total revenues | 3,148,795 | 3,378,142 | 3,393,192 | 15,050 |
| **EXPENDITURES** | | | | |
| Current | | | | |
| Community service | | | | |
| 4B Parks | 435,089 | 443,302 | 313,274 | 130,028 |
| 4B Brown House | 204,154 | 307,636 | 229,957 | 77,679 |
| 4B Recreation | 2,370,797 | 2,513,474 | 2,335,578 | 177,896 |
| Total community service | 3,010,040 | 3,264,412 | 2,878,809 | 385,603 |
| Total expenditures | 3,010,040 | 3,264,412 | 2,878,809 | 385,603 |
| Excess (deficiency) of revenues over (under) expenditures | 138,755 | 113,730 | 514,383 | 400,653 |
| Other financing sources (uses) | | | | |
| Insurance recovery | - | - | 518,523 | 518,523 |
| Transfers out | (386,000) | (386,000) | (386,000) | - |
| Total other financing sources (uses) | (386,000) | (386,000) | 132,523 | 518,523 |
| Net change in fund balances | (247,245) | (272,270) | 646,906 | 919,176 |
| Fund balances, October 1 | 2,345,435 | 2,345,435 | 2,345,435 | - |
| Fund balances, September 30 | $ 2,098,190 | $ 2,073,165 | $ 2,992,341 | $ 919,176 |

**CITY OF WYLIE, TEXAS** **EXHIBIT C-2**
**BUDGETARY COMPARISON SCHEDULE (GAAP BASIS)**
**PARK ACQUISTION AND IMPROVEMENT**
**SPECIAL REVENUE FUND**
**FOR THE YEAR ENDED SEPTEMBER 30, 2017**

| | Budgeted Amounts | | | |
|---|---|---|---|---|
| | Original | Final | Actual | Variance with Final Budget Positive (Negative) |
| **REVENUES** | | | | |
| Intergovernmental | $ 500,000 | $ 500,000 | $ 360,841 | $ (139,159) |
| Development fees | 214,000 | 214,000 | 626,000 | 412,000 |
| Interest income | - | - | 2,483 | 2,483 |
| **Total revenues** | 714,000 | 714,000 | 989,324 | 275,324 |
| **EXPENDITURES** | | | | |
| Current | | | | |
| Community service | | | | |
| Park acquisition - west zone | 950,000 | 950,000 | 931,200 | 18,800 |
| Park acquisition - central zone | 310,000 | 310,000 | 220,382 | 89,618 |
| Park acquisition - east zone | 60,000 | 60,000 | 58,825 | 1,175 |
| **Total expenditures** | 1,320,000 | 1,320,000 | 1,210,407 | 109,593 |
| **Net change in fund balances** | (606,000) | (606,000) | (221,083) | 384,917 |
| Fund balances, October 1 | 728,357 | 728,357 | 728,357 | - |
| Fund balances, September 30 | $ 122,357 | $ 122,357 | $ 507,274 | $ 384,917 |

**CITY OF WYLIE, TEXAS** **EXHIBIT C-3**
**BUDGETARY COMPARISON SCHEDULE (GAAP BASIS)**
**FIRE TRAINING CENTER**
**SPECIAL REVENUE FUND**
**FOR THE YEAR ENDED SEPTEMBER 30, 2017**

| | Budgeted Amounts | | | |
|---|---|---|---|---|
| | Original | Final | Actual | Variance with Final Budget Positive (Negative) |
| **REVENUES** | | | | |
| Service fees | $ 35,000 | $ 35,000 | $ 30,908 | $ (4,092) |
| Interest income | 300 | 300 | 540 | 240 |
| **Total revenues** | 35,300 | 35,300 | 31,448 | (3,852) |
| **EXPENDITURES** | | | | |
| Current | | | | |
| Public safety | | | | |
| Fire training center | 122,000 | 122,000 | 85,183 | 36,817 |
| **Total public safety** | 122,000 | 122,000 | 85,183 | 36,817 |
| **Net change in fund balances** | (86,700) | (86,700) | (53,735) | 32,965 |
| Fund balances, October 1 | 196,178 | 196,178 | 196,178 | - |
| Fund balances, September 30 | $ 109,478 | $ 109,478 | $ 142,443 | $ 32,965 |

**CITY OF WYLIE, TEXAS** **EXHIBIT C-4**
**BUDGETARY COMPARISON SCHEDULE (GAAP BASIS)**
**FIRE DEVELOPMENT FEES**
**SPECIAL REVENUE FUND**
**FOR THE YEAR ENDED SEPTEMBER 30, 2017**

| | Budgeted Amounts | | | |
|---|---|---|---|---|
| | Original | Final | Actual | Variance with Final Budget Positive (Negative) |
| **REVENUES** | | | | |
| Interest income | $ 2,500 | $ 2,500 | $ 6,345 | $ 3,845 |
| Development fees | 250,000 | 250,000 | 343,365 | 93,365 |
| **Total revenues** | 252,500 | 252,500 | 349,710 | 97,210 |
| **EXPENDITURES** | | | | |
| Current | | | | |
| Public safety | | | | |
| Fire training center | 2,000 | 2,000 | 2,100 | (100) |
| **Total public safety** | 2,000 | 2,000 | 2,100 | (100) |
| **Net change in fund balances** | 250,500 | 250,500 | 347,610 | 97,110 |
| Fund balances, October 1 | 1,737,762 | 1,737,762 | 1,737,762 | - |
| Fund balances, September 30 | $ 1,988,262 | $ 1,988,262 | $ 2,085,372 | $ 97,110 |

**CITY OF WYLIE, TEXAS** **EXHIBIT C-5**
**BUDGETARY COMPARISON SCHEDULE (GAAP BASIS)**
**MUNICIPAL COURT TECHNOLOGY FUND**
**SPECIAL REVENUE FUND**
**FOR THE YEAR ENDED SEPTEMBER 30, 2017**

| | Budgeted Amounts | | | |
|---|---|---|---|---|
| | Original | Final | Actual | Variance with Final Budget Positive (Negative) |
| **REVENUES** | | | | |
| Court fees | $ 11,000 | $ 11,000 | $ 11,979 | $ 979 |
| Interest income | 20 | 20 | 85 | 65 |
| **Total revenues** | 11,020 | 11,020 | 12,064 | 1,044 |
| **EXPENDITURES** | | | | |
| Current | | | | |
| Public safety | 1,000 | 14,585 | 12,118 | 2,467 |
| **Total public safety** | 1,000 | 14,585 | 12,118 | 2,467 |
| **Net change in fund balances** | 10,020 | (3,565) | (54) | 3,511 |
| Fund balances, October 1 | 21,448 | 21,448 | 21,448 | - |
| Fund balances, September 30 | $ 31,468 | $ 17,883 | $ 21,394 | $ 3,511 |

**CITY OF WYLIE, TEXAS** **EXHIBIT C-6**
**BUDGETARY COMPARISON SCHEDULE (GAAP BASIS)**
**MUNICIPAL COURT BUILDING SECURITY FUND**
**SPECIAL REVENUE FUND**
**FOR THE YEAR ENDED SEPTEMBER 30, 2017**

| | Budgeted Amounts | | | |
|---|---|---|---|---|
| | Original | Final | Actual | Variance with Final Budget Positive (Negative) |
| **REVENUES** | | | | |
| Court fees | $ 8,200 | $ 8,200 | $ 8,984 | $ 784 |
| Interest income | 30 | 30 | 93 | 63 |
| **Total revenues** | 8,230 | 8,230 | 9,077 | 847 |
| **EXPENDITURES** | | | | |
| Current | | | | |
| Public safety | 5,000 | 5,000 | 1,665 | 3,335 |
| **Total public safety** | 5,000 | 5,000 | 1,665 | 3,335 |
| **Net change in fund balances** | 3,230 | 3,230 | 7,412 | 4,182 |
| Fund balances, October 1 | 24,482 | 24,482 | 24,482 | - |
| Fund balances, September 30 | $ 27,712 | $ 27,712 | $ 31,894 | $ 4,182 |

**CITY OF WYLIE, TEXAS** **EXHIBIT C-7**
**BUDGETARY COMPARISON SCHEDULE (GAAP BASIS)**
**HOTEL TAX FUND**
**SPECIAL REVENUE FUND**
**FOR THE YEAR ENDED SEPTEMEBER 30, 2017**

| | Budgeted Amounts | | | |
|---|---|---|---|---|
| | Original | Final | Actual | Variance with Final Budget Positive (Negative) |
| **REVENUES** | | | | |
| Sales taxes | $ 90,000 | $ 90,000 | $ 82,308 | $ (7,692) |
| Interest income | 200 | 200 | 655 | 455 |
| **Total revenues** | 90,200 | 90,200 | 82,963 | (7,237) |
| **EXPENDITURES** | | | | |
| Current | | | | |
| Community service | 15,000 | 15,000 | 15,000 | - |
| **Total community service** | 15,000 | 15,000 | 15,000 | - |
| **Excess of revenues over expenditures** | 75,200 | 75,200 | 67,963 | (7,237) |
| Other financing uses | | | | |
| Transfers out | (35,000) | (35,000) | (35,000) | - |
| **Total other financing uses** | (35,000) | (35,000) | (35,000) | - |
| **Net change in fund balances** | 40,200 | 40,200 | 32,963 | (7,237) |
| Fund balances, October 1 | 190,974 | 190,974 | 190,974 | - |
| Fund balances, September 30 | $ 231,174 | $ 231,174 | $ 223,937 | $ (7,237) |

**CITY OF WYLIE, TEXAS** **EXHIBIT C-8**
**BUDGETARY COMPARISON SCHEDULE (GAAP BASIS)**
**RECREATION FUND**
**SPECIAL REVENUE FUND**
**FOR THE YEAR ENDED SEPTEMERB 30, 2017**

| | Budgeted Amounts | | | |
|---|---|---|---|---|
| | Original | Final | Actual | Variance with Final Budget Positive (Negative) |
| **REVENUES** | | | | |
| Service fees | $ - | $ - | $ - | $ - |
| Interest income | - | - | - | - |
| **Total revenues** | - | - | - | - |
| **EXPENDITURES** | | | | |
| Current | | | | |
| Community service | | | | |
| Recreation center | - | - | - | - |
| **Total community service** | - | - | - | - |
| **Excess of revenues over expenditures** | - | - | - | - |
| Other financing uses | | | | |
| Transfers out | - | - | - | - |
| **Total other financing uses** | - | - | - | - |
| **Net change in fund balances** | - | - | - | - |
| Fund balances, October 1 | - | - | - | - |
| Fund balances, September 30 | $ - | $ - | $ - | $ - |



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**CITY OF WYLIE, TEXAS** **EXHIBIT C-9**
**BUDGETARY COMPARISON SCHEDULE (GAAP BASIS)**
**FEDERAL SEIZURE FUND**
**SPECIAL REVENUE FUND**
**FOR THE YEAR ENDED SEPTEMBER 30, 2017**

| | Budgeted Amounts | | | |
|---|---|---|---|---|
| | Original | Final | Actual | Variance with Final Budget Positive (Negative) |
| **REVENUES** | | | | |
| Intergovernmental | $ - | $ - | $ - | $ - |
| **Total revenues** | - | - | - | - |
| **EXPENDITURES** | | | | |
| Current | | | | |
| Public safety | - | - | - | - |
| **Total public safety** | - | - | - | - |
| **Net change in fund balances** | - | - | - | - |
| Fund balances, October 1 | 954 | 954 | 954 | - |
| Fund balances, September 30 | $ 954 | $ 954 | $ 954 | $ - |

**CITY OF WYLIE, TEXAS** **EXHIBIT C-10**
**BUDGETARY COMPARISON SCHEDULE (GAAP BASIS)**
**JUDICIAL EFFICIENCY FUND**
**SPECIAL REVENUE FUND**
**FOR THE YEAR ENDED SEPTEMBER 30, 2017**

| | Budgeted Amounts | | | |
|---|---|---|---|---|
| | Original | Final | Actual | Variance with Final Budget Positive (Negative) |
| **REVENUES** | | | | |
| Court fees | $ 800 | $ 800 | $ 885 | $ 85 |
| Interest income | 5 | 5 | 9 | 4 |
| **Total revenues** | 805 | 805 | 894 | 89 |
| **EXPENDITURES** | | | | |
| Current | | | | |
| Court | - | - | - | - |
| **Total court** | - | - | - | - |
| **Net change in fund balances** | 805 | 805 | 894 | 89 |
| Fund balances, October 1 | 2,329 | 2,329 | 2,329 | - |
| Fund balances, September 30 | $ 3,134 | $ 3,134 | $ 3,223 | $ 89 |

**CITY OF WYLIE, TEXAS** **EXHIBIT C-11**
**BUDGETARY COMPARISON SCHEDULE (GAAP BASIS)**
**TRUANCY COURT FUND**
**SPECIAL REVENUE FUND**
**FOR THE YEAR ENDED SEPTEMBER 30, 2017**

| | Budgeted Amounts | | | |
|---|---|---|---|---|
| | Original | Final | Actual | Variance with Final Budget Positive (Negative) |
| **REVENUES** | | | | |
| Court fees | $ - | $ - | $ 3,250 | $ 3,250 |
| Interest income | - | - | 19 | 19 |
| **Total revenues** | - | - | 3,269 | 3,269 |
| **EXPENDITURES** | | | | |
| Current | | | | |
| Court | - | - | - | - |
| **Total court** | - | - | - | - |
| **Net change in fund balances** | - | - | 3,269 | 3,269 |
| Fund balances, October 1 | - | - | 3,454 | 3,454 |
| Fund balances, September 30 | $ - | $ - | $ 6,723 | $ 6,723 |

**CITY OF WYLIE, TEXAS** **EXHIBIT D-1**
**BUDGETARY COMPARISON SCHEDULE (GAAP BASIS)**
**4B DEBT SERVICE 1996 FUND**
**DEBT SERVICE FUND**
**FOR THE YEAR ENDED SEPTEMBER 30, 2017**

| | Budgeted Amounts | | | Variance with Final Budget - |
|---|---|---|---|---|
| | Original | Final | Actual | Positive (Negative) |
| **REVENUES** | | | | |
| Interest income | $ - | $ - | $ 609 | $ 609 |
| **Total revenues** | - | - | 609 | 609 |
| **EXPENDITURES** | | | | |
| Debt service | | | | |
| Principal | - | - | - | - |
| Interest and fiscal charges | - | - | - | - |
| **Total debt service** | - | - | - | - |
| **Total expenditures** | - | - | - | - |
| **Net change in fund balances** | - | - | 609 | 609 |
| Fund balances, October 1 | 182,241 | 182,241 | 182,241 | - |
| Fund balances, September 30 | $ 182,241 | $ 182,241 | $ 182,850 | $ 609 |

**CITY OF WYLIE, TEXAS** **EXHIBIT D-2**
**BUDGETARY COMPARISON SCHEDULE (GAAP BASIS)**
**4B DEBT SERVICE 2005 FUND**
**DEBT SERVICE FUND**
**FOR THE YEAR ENDED SEPTEMBER 30, 2017**

| | Budgeted Amounts | | | Variance with Final Budget - |
|---|---|---|---|---|
| | Original | Final | Actual | Positive (Negative) |
| **REVENUES** | | | | |
| Interest income | $ - | $ - | $ 450 | $ 450 |
| **Total revenues** | - | - | 450 | 450 |
| **EXPENDITURES** | | | | |
| Debt service | | | | |
| Principal | 310,000 | 310,000 | 310,000 | - |
| Interest and fiscal charges | 75,050 | 75,050 | 75,050 | - |
| **Total debt service** | 385,050 | 385,050 | 385,050 | - |
| **Total expenditures** | 385,050 | 385,050 | 385,050 | - |
| **Deficiency of revenues under expenditures** | (385,050) | (385,050) | (384,600) | 450 |
| Other financing sources | | | | |
| Transfers in | 386,000 | 386,000 | 386,000 | - |
| **Total other financing sources** | 386,000 | 386,000 | 386,000 | - |
| **Net change in fund balances** | 950 | 950 | 1,400 | 450 |
| Fund balances, October 1 | 24,433 | 24,433 | 24,433 | - |
| Fund balances, September 30 | $ 25,383 | $ 25,383 | $ 25,833 | $ 450 |

# STATISTICAL SECTION

CITY OF WYLIE
GULF, COLORADO &
SANTA FE RAILWAY
1887
STATE OF TEXAS

**CITY OF WYLIE, TEXAS**
**STATISTICAL SECTION**
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*This part of the City of Wylie's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, notes disclosures, and required supplementary information says about the City's overall financial health. This information has not been audited by the independent auditor.*

## Contents — Table #s


**Financial Trends** — **1-5**
These tables contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

**Revenue Capacity** — **6-12**
These tables contain information to help the reader assess the City's two most significant local revenue sources, the property and sales taxes.

**Debt Capacity** — **13-17**
These tables present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

**Economic and Demographic Information** — **18-19**
These tables offer economic and demographic indicators to help the reader understand the environment within which the City's financial activities take place.

**Operating Information** — **20-22**
These tables contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides.


**Source:** Unless otherwise noted, the information in these labels is derived from the comprehensive annual financial reports for the relevant year. The City implemented GASB Statement 34 in fiscal year 2003: tables pressing government-wide information include information beginning in that year.

## CITY OF WYLIE, TEXAS
## NET POSITION BY COMPONENT
## LAST TEN FISCAL YEARS (UNAUDITED)

| | 2008 | 2009 | 2010 | 2011 |
|---|---|---|---|---|
| Governmental Activities | | | | |
| Net Investment in Capital Assets | $ 81,535,501 | $ 87,367,632 | $ 92,652,726 | $ 96,233,296 |
| Restricted | - | - | 157,135 | 290,576 |
| Unrestricted | 16,778,998 | 18,364,466 | 19,795,514 | 18,292,357 |
| Total Governmental Activities Net Position | $ 98,314,499 | $ 105,732,098 | $112,605,375 | $114,816,229 |
| | | | | |
| Business-type Activities | | | | |
| Net Investment in Capital Assets | $ 37,155,724 | $ 37,166,408 | $ 38,013,180 | $ 37,576,095 |
| Restricted | 7,460,624 | 7,338,139 | 5,470,351 | 4,260,021 |
| Unrestricted | 9,393,691 | 9,820,167 | 11,356,977 | 14,359,344 |
| Total Business-type Activities Net Position | $ 54,010,039 | $ 54,324,714 | $ 54,840,508 | $ 56,195,460 |
| | | | | |
| Primary Government | | | | |
| Net Investment in Capital Assets | $118,691,225 | $ 124,534,040 | $130,665,906 | $133,809,391 |
| Restricted | 7,460,624 | 7,338,139 | 5,627,486 | 4,550,597 |
| Unrestricted | 26,172,689 | 28,184,633 | 31,152,491 | 32,651,701 |
| Total Primary Government Net Position | $152,324,538 | $ 160,056,812 | $167,445,883 | $171,011,689 |

Note: The city began to report accrual information when it implemented GASB Statement 34 in fiscal year 2003. This information is presented using the accrual basis of accounting.

**TABLE 1**

| 2012 | 2013 | 2014 | 2015 | 2016 | 2017 |
|---|---|---|---|---|---|
| $ 95,243,831 | $ 97,011,784 | $104,161,153 | $110,141,284 | $120,169,208 | $131,493,684 |
| 403,355 | 2,028,665 | 1,910,643 | 2,198,212 | 3,308,748 | 4,145,132 |
| 23,002,260 | 19,453,739 | 15,353,055 | 12,040,540 | 14,016,198 | 20,176,356 |
| $118,649,446 | $118,494,188 | $121,424,851 | $124,380,036 | $137,494,154 | $155,815,172 |
| | | | | | |
| $ 43,108,563 | $ 45,467,130 | $ 46,332,004 | $ 47,855,920 | $ 48,313,914 | $ 43,143,369 |
| 3,550,825 | 3,477,195 | 3,682,967 | 5,039,922 | 5,883,377 | 7,125,122 |
| 10,421,435 | 10,939,781 | 10,466,437 | 10,249,068 | 10,803,417 | 19,043,168 |
| $ 57,080,823 | $ 59,884,106 | $ 60,481,408 | $ 63,144,910 | $ 65,000,708 | $ 69,311,659 |
| | | | | | |
| $138,352,394 | $142,478,914 | $150,493,157 | $157,997,204 | $168,483,122 | $174,637,053 |
| 3,954,180 | 5,505,860 | 5,593,610 | 7,238,134 | 9,192,125 | 11,270,254 |
| 33,423,695 | 30,393,520 | 25,819,492 | 22,289,608 | 24,819,615 | 39,219,524 |
| $175,730,269 | $178,378,294 | $181,906,259 | $187,524,946 | $202,494,862 | $225,126,831 |

## CITY OF WYLIE, TEXAS
## EXPENSES, PROGRAM REVENUES, AND NET (EXPENSE)/REVENUE
## LAST TEN FISCAL YEARS (UNAUDITED)

| | 2008 | 2009 | 2010 | 2011 |
|---|---|---|---|---|
| Expenses | | | | |
| Governmental Activities: | | | | |
| General Government | $ 5,861,991 | $ 3,485,356 | $ 6,479,482 | $ 3,621,127 |
| Public Safety | 10,502,873 | 11,585,582 | 11,859,042 | 13,694,425 |
| Urban development | 1,061,318 | 1,178,655 | 1,193,068 | 1,254,722 |
| Streets | 4,871,088 | 6,761,308 | 4,263,064 | 5,493,677 |
| Community service | 3,248,168 | 3,325,813 | 3,292,045 | 4,965,762 |
| Interest on Long-Term Debt | 3,068,061 | 4,872,366 | 5,163,908 | 4,795,423 |
| Total Governmental Activities Expenses | 28,613,499 | 31,209,080 | 32,250,609 | 33,825,136 |
| Business-type Activities | | | | |
| Utility | 10,219,481 | 10,338,152 | 10,494,419 | 10,566,621 |
| Total Business-type Activities Expenses | 10,219,481 | 10,338,152 | 10,494,419 | 10,566,621 |
| Total Primary Government Expenses | $ 38,832,980 | $ 41,547,232 | $ 42,745,028 | $ 44,391,757 |
| Program Revenues | | | | |
| Governmental Activities: | | | | |
| Charges for Services: | | | | |
| General Government | $ 2,192,056 | $ 2,164,172 | $ 2,255,866 | $ 2,221,163 |
| Public safety | 1,011,893 | 1,257,771 | 1,257,540 | 1,376,734 |
| Urban development | 1,043,266 | 558,461 | 652,839 | 637,805 |
| Community service | 313,050 | 252,003 | 250,086 | 747,321 |
| Operating Grants and Contributions | 405,557 | 264,209 | 474,576 | 217,790 |
| Capital Grants and Contributions | 2,200,423 | 5,731,359 | 6,494,706 | 1,663,223 |
| Total Governmental Activities Program Revenues | 7,166,245 | 10,227,975 | 11,385,613 | 6,864,036 |
| Business-type Activities: | | | | |
| Charges for Services: | | | | |
| Utility | 9,508,602 | 10,172,309 | 11,088,925 | 12,580,923 |
| Capital Grants and Contributions | 1,154,027 | 51,500 | - | - |
| Total Business-type Activities Program Revenues | 10,662,629 | 10,223,809 | 11,088,925 | 12,580,923 |
| Total Primary Government Programs Revenues | 17,828,874 | 20,451,784 | 22,474,538 | 19,444,959 |
| Net (Expense)/Revenue | | | | |
| Governmental Activities | $ (21,447,254) | $ (20,981,105) | $ (20,864,996) | $ (26,961,100) |
| Business-type Activities | 443,148 | (114,343) | 594,506 | 2,014,302 |
| Total Primary Governmental Net Expense | (21,004,106) | (21,095,448) | (20,270,490) | (24,946,798) |

Note: The city began to report accrual information when it implemented GASB Statement 34 in fiscal year 2003. This information is presented using the accrual basis of accounting.

**TABLE 2**

| 2012 | 2013 | 2014 | 2015 | 2016 | 2017 |
|---|---|---|---|---|---|
| $ 6,118,269 | $ 5,617,973 | $ 4,731,511 | $ 8,292,990 | $ 9,547,712 | $ 9,460,047 |
| 13,329,862 | 14,886,917 | 16,818,848 | 15,265,836 | 16,665,427 | 17,893,012 |
| 1,285,496 | 1,143,806 | 1,175,311 | 1,040,898 | 1,012,093 | 1,179,962 |
| 2,515,998 | 7,080,061 | 8,019,706 | 7,649,278 | 6,941,858 | 8,044,783 |
| 9,435,014 | 6,861,667 | 7,189,773 | 7,326,919 | 7,750,815 | 7,709,291 |
| 4,692,448 | 4,283,310 | 4,029,262 | 3,920,570 | 3,439,372 | 2,752,525 |
| 37,377,087 | 39,873,734 | 41,964,411 | 43,496,491 | 45,357,277 | 47,039,620 |
| 10,918,523 | 11,644,534 | 12,600,422 | 12,878,510 | 14,250,070 | 15,334,168 |
| 10,918,523 | 11,644,534 | 12,600,422 | 12,878,510 | 14,250,070 | 15,334,168 |
| $ 48,295,610 | $ 51,518,268 | $ 54,564,833 | $ 56,375,001 | $ 59,607,347 | $ 62,373,788 |
| $ 2,247,927 | $ 2,304,350 | $ 2,452,885 | $ 2,650,115 | $ 2,805,284 | $ 2,887,799 |
| 1,425,766 | 1,375,077 | 1,514,932 | 1,519,821 | 1,665,370 | 1,682,035 |
| 690,237 | 699,296 | 824,241 | 1,399,132 | 1,497,411 | 1,589,740 |
| 887,559 | 815,741 | 875,090 | 946,334 | 383,916 | 382,566 |
| 1,622,466 | 142,063 | 332,004 | 467,147 | 359,928 | 364,935 |
| 3,538,027 | 4,815,624 | 6,651,870 | 10,343,185 | 12,277,481 | 15,186,815 |
| 10,411,982 | 10,152,151 | 12,651,022 | 17,325,734 | 18,989,390 | 22,093,890 |
| 12,826,991 | 13,571,924 | 13,767,869 | 15,473,529 | 15,997,794 | 18,169,571 |
| 393,140 | 543,678 | 1,052,390 | 2,399,575 | 1,496,700 | 3,280,520 |
| 13,220,131 | 14,115,602 | 14,820,259 | 17,873,104 | 17,494,494 | 21,450,091 |
| 23,632,113 | 24,267,753 | 27,471,281 | 35,198,838 | 36,483,884 | 43,543,981 |
| $ (26,965,105) | $ (29,721,583) | $ (29,313,389) | $ (26,170,757) | $ (26,367,887) | $ (24,945,730) |
| 2,301,608 | 2,471,068 | 2,219,837 | 4,994,594 | 3,244,424 | 6,115,923 |
| (24,663,497) | (27,250,515) | (27,093,552) | (21,176,163) | (23,123,463) | (18,829,807) |

## CITY OF WYLIE, TEXAS
## GENERAL REVENUES AND TOTAL CHANGE IN NET POSITION
## LAST TEN FISCAL YEARS (UNAUDITED)

| | 2008 | 2009 | 2010 | 2011 |
|---|---|---|---|---|
| **Net (Expense)/Revenue** | | | | |
| Governmental Activities | $ (21,447,254) | $ (20,981,105) | $ (20,864,996) | $ (26,961,100) |
| Business-type Activities | 443,148 | (114,343) | 594,506 | 2,014,302 |
| Total Primary Government Net Expense | (21,004,106) | (21,095,448) | (20,270,490) | (24,946,798) |
| | | | | |
| **Governmental Revenues and Other Changes in Net Position** | | | | |
| Governmental Activities: | | | | |
| Taxes | | | | |
| Property Taxes | 15,540,800 | 20,391,128 | 20,649,388 | 20,706,218 |
| Sales Taxes | 3,892,994 | 3,933,650 | 4,086,686 | 4,632,860 |
| Franchise Taxes | 1,963,797 | 2,391,509 | 2,226,420 | 2,278,805 |
| Unrestricted Investment Earnings | 1,926,928 | 924,047 | 212,547 | 94,894 |
| Miscellaneous Income | 215,192 | 297,601 | 118,547 | 536,216 |
| Gain (loss) on disposal of capital assets | 34,396 | 10,769 | (5,315) | 18,526 |
| Transfers | 450,000 | 450,000 | 450,000 | 904,435 |
| Total Governmental Activities | 24,024,107 | 28,398,704 | 27,738,273 | 29,171,954 |
| | | | | |
| Business-type Activities: | | | | |
| Investment Earnings | 786,986 | 299,563 | 169,925 | 141,682 |
| Miscellaneous Income | 40,082 | 579,455 | 201,363 | 96,740 |
| Gain (loss) on disposal of capital assets | - | - | - | 6,663 |
| Transfers | (450,000) | (450,000) | (450,000) | (904,435) |
| Total Business-type Activities | 377,068 | 429,018 | (78,712) | (659,350) |
| Total Primary Government | $ 24,401,175 | $ 28,827,722 | $ 27,659,561 | $ 28,512,604 |
| | | | | |
| **Change in Net Position** | | | | |
| Governmental Activities | $ 2,576,853 | $ 7,417,599 | $ 6,873,277 | $ 2,210,854 |
| Business-type Activities | 820,216 | 314,675 | 515,794 | 1,354,952 |
| Total Primary Government | $ 3,397,069 | $ 7,732,274 | $ 7,389,071 | $ 3,565,806 |

Note: The city began to report accrual information when it implemented GASB Statement 34 in fiscal year 2003. This information is presented using the accrual basis of accounting.

**TABLE 3**

| 2012 | 2013 | 2014 | 2015 | 2016 | 2017 |
|---|---|---|---|---|---|
| $ (26,965,105) | $ (29,721,583) | $ (29,313,389) | $ (26,170,757) | $ (26,367,887) | $ (24,945,730) |
| 2,301,608 | 2,471,068 | 2,219,837 | 4,994,594 | 3,244,424 | 6,115,923 |
| (24,663,497) | (27,250,515) | (27,093,552) | (21,176,163) | (23,123,463) | (18,829,807) |
| | | | | | |
| 21,220,640 | 21,280,279 | 22,537,796 | 24,620,586 | 26,992,416 | 30,065,957 |
| 4,879,854 | 5,635,492 | 5,872,316 | 6,663,646 | 7,555,687 | 7,993,453 |
| 2,538,708 | 2,238,997 | 2,497,660 | 2,665,092 | 2,709,736 | 2,726,088 |
| 62,408 | 41,651 | 7,857 | 12,708 | 65,850 | 145,377 |
| 419,715 | 423,219 | 186,802 | 160,750 | 149,534 | 223,012 |
| - | 8,317 | 49,752 | 339,328 | 96,937 | - |
| 1,676,997 | (61,630) | 1,709,611 | 1,961,899 | 1,911,845 | 2,112,861 |
| 30,798,322 | 29,566,325 | 32,861,794 | 36,424,009 | 39,482,005 | 43,266,748 |
| | | | | | |
| 128,932 | 114,480 | 98,049 | 93,293 | 103,521 | 135,053 |
| 131,820 | 156,105 | 174,147 | 336,548 | 419,698 | 172,836 |
| - | - | - | - | - | - |
| (1,676,997) | 61,630 | (1,709,611) | (1,961,899) | (1,911,845) | (2,112,861) |
| (1,416,245) | 332,215 | (1,437,415) | (1,532,058) | (1,388,626) | (1,804,972) |
| $ 29,382,077 | $ 29,898,540 | $ 31,424,379 | $ 34,891,951 | $ 38,093,379 | $ 41,461,776 |
| | | | | | |
| $ 3,833,217 | $ (155,258) | $ 3,548,405 | $ 10,253,252 | $ 13,114,118 | $ 18,321,018 |
| 885,363 | 2,803,283 | 782,422 | 3,462,536 | 1,855,798 | 4,310,951 |
| $ 4,718,580 | $ 2,648,025 | $ 4,330,827 | $ 13,715,788 | $ 14,969,916 | $ 22,631,969 |

## CITY OF WYLIE, TEXAS
## FUND BALANCES OF GOVERNMENTAL FUNDS
## LAST TEN FISCAL YEARS (UNAUDITED)

| | Fiscal Year (1) 2008 | 2009 | 2010 | (2) 2011 |
|---|---|---|---|---|
| **General Fund** | | | | |
| Reserved | $ 188,255 | $ 146,428 | $ 153,389 | $ - |
| Nonspendable | - | - | - | 154,354 |
| Restricted | - | - | - | - |
| Committed | - | - | - | 128,512 |
| Assigned | - | - | - | - |
| Unassigned | - | - | - | 10,095,757 |
| Unreserved | 8,878,326.00 | 9,917,733 | 8,305,011 | - |
| Total General Fund | $ 9,066,581 | $ 10,064,161 | $ 8,458,400 | $ 10,378,623 |
| **All Other Governmental Funds** | | | | |
| Reserved | $ 634,477 | $ 595,319 | $ 656,402 | $ - |
| Nonspendable | - | - | - | - |
| Restricted | - | - | - | 32,345,329 |
| Committed | - | - | - | 1,882,591 |
| Unassigned | - | - | - | - |
| Unreserved, Reported in: | | | | |
| Special Revenue Funds | 2,861,942 | 3,845,934 | 5,308,220 | - |
| Debt Service Funds | - | - | 194,986 | - |
| Capital Projects Funds | 85,908,035 | 67,875,143 | 44,082,553 | - |
| Total All Other Governmental Funds | $ 89,404,454 | $ 72,316,396 | $ 50,242,161 | $ 34,227,920 |

(1) The increase in fund balance was due to unspent bond proceeds from an issuance during the periods indicated for capital projects.

(2) The City implemented GASB No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions" which impacted both the classifications of funds and classification of and balances within funds.

**TABLE 4**

| 2012 | 2013 | 2014 | 2015 | 2016 | 2017 |
|---|---|---|---|---|---|
| $ - | $ - | $ - | $ - | $ - | $ - |
| 181,865 | 189,310 | 185,370 | 181,891 | 194,820 | 156,872 |
| - | 17,055 | 37,299 | 31,167 | 44,107 | 44,107 |
| - | 14,096 | 159,429 | 168,017 | 591,471 | 413,504 |
| - | 137,409 | 174,173 | 170,213 | 88,788 | 2,884,219 |
| 11,286,328 | 11,734,825 | 11,737,159 | 13,561,725 | 16,272,269 | 16,281,977 |
| - | - | - | - | - | - |
| $ 11,468,193 | $ 12,092,695 | $ 12,293,430 | $ 14,113,013 | $ 17,191,455 | $ 19,780,679 |
| | | | | | |
| $ - | $ - | $ - | $ - | $ - | $ - |
| - | - | - | - | - | - |
| 31,563,601 | 19,006,290 | 14,424,699 | 12,401,450 | 12,481,571 | 15,313,781 |
| 2,217,660 | 1,916,938 | 1,834,152 | 2,668,895 | 2,662,297 | 2,735,089 |
| - | - | - | - | - | - |
| | | | | | |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| $ 33,781,261 | $ 20,923,228 | $ 16,258,851 | $ 15,070,345 | $ 15,143,868 | $ 18,048,870 |

## CITY OF WYLIE, TEXAS
## CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
## LAST TEN FISCAL YEARS (UNAUDITED)

| | 2008 | 2009 | 2010 | 2011 |
|---|---|---|---|---|
| **Revenues** | | | | |
| Ad valorem taxes | $ 15,530,285 | $ 20,310,022 | $ 20,649,075 | $ 20,746,031 |
| Sales taxes | 3,892,994 | 3,933,650 | 4,086,686 | 4,632,860 |
| Franchise fees | 2,045,205 | 2,136,664 | 2,060,000 | 2,280,283 |
| Licenses and permits | 1,857,614 | 1,060,595 | 1,083,184 | 1,354,135 |
| Intergovernmental | 1,558,929 | 2,485,357 | 6,765,997 | 1,595,509 |
| Service fees | 2,767,258 | 2,670,068 | 2,786,282 | 3,325,419 |
| Court fees | 547,987 | 427,246 | 425,439 | 342,592 |
| Development fees | - | - | - | - |
| Interest income | 1,882,079 | 913,799 | 210,314 | 94,894 |
| Miscellaneous income | 644,793 | 562,751 | 439,558 | 781,392 |
| Total Revenues | 30,727,144 | 34,500,152 | 38,506,535 | 35,153,115 |
| **Expenditures** | | | | |
| General Government | 6,927,392 | 5,442,300 | 5,794,116 | 7,071,914 |
| Public Safety | 10,244,272 | 11,042,607 | 12,991,765 | 13,170,413 |
| Urban development | 1,026,260 | 1,135,299 | 1,161,850 | 1,247,257 |
| Streets | 1,587,208 | 1,620,193 | 1,189,434 | 1,033,150 |
| Community Service | 3,303,805 | 3,117,542 | 2,893,696 | 4,433,358 |
| Capital Outlay | 5,924,706 | 19,900,621 | 30,662,779 | 15,891,919 |
| Debt Service | | | | |
| Principal | 1,975,248 | 3,627,903 | 3,458,337 | 3,375,238 |
| Interest and fiscal charges | 2,725,301 | 5,156,180 | 5,091,403 | 4,853,660 |
| Bond issuance costs | 247,318 | - | 225,807 | - |
| Total Expenditures | 33,961,510 | 51,042,645 | 63,469,187 | 51,076,909 |
| Excess of Revenues | | | | |
| Over (Under) Expenditures | (3,234,366) | (16,542,493) | (24,962,652) | (15,923,794) |
| **Other Financing Sources (Uses)** | | | | |
| Transfers In | 2,834,249 | 2,597,809 | 4,019,027 | 4,761,221 |
| Transfers Out | (2,384,249) | (2,147,809) | (3,569,027) | (2,972,489) |
| Issuance of long-term debt | 55,625,000 | - | 8,264,548 | - |
| Premium on bonds issued | 238,069 | - | 3,892 | - |
| Discount on bonds issued | - | - | - | - |
| Payment to refunded bond escrow agent | - | - | (7,435,784) | - |
| Proceeds from capital lease | - | - | - | - |
| Proceeds from note | - | - | - | - |
| Insurance recovery | - | - | - | - |
| Reimbursement from other funds | - | - | - | - |
| Sale of capital assets | - | 2,015 | - | 41,044 |
| Total Other Financing | | | | |
| Sources (Uses) | 56,313,069 | 452,015 | 1,282,656 | 1,829,776 |
| Net Change in Fund Balances | $ 53,078,703 | $ (16,090,478) | $ (23,679,996) | $ (14,094,018) |
| Debt Service as a Percentage | | | | |
| of Noncapital Expenditures | 16.8% | 28.2% | 26.1% | 23.4% |

**TABLE 5**

| 2012 | 2013 | 2014 | 2015 | 2016 | 2017 |
|---|---|---|---|---|---|
| $ 21,232,323 | $ 21,232,219 | $ 22,539,230 | $ 24,515,600 | $ 27,127,964 | $ 30,062,648 |
| 4,879,854 | 5,635,492 | 5,872,316 | 6,663,646 | 7,555,687 | 7,993,453 |
| 2,475,389 | 2,324,149 | 2,579,004 | 2,595,964 | 2,666,356 | 2,686,550 |
| 1,856,690 | 1,012,501 | 1,595,468 | 2,465,148 | 1,623,398 | 2,187,821 |
| 4,363,842 | 3,315,505 | 3,983,797 | 2,307,516 | 4,591,241 | 4,668,258 |
| 3,612,346 | 3,627,931 | 3,852,357 | 4,183,790 | 4,306,832 | 4,416,964 |
| 293,140 | 284,606 | 288,591 | 413,757 | 536,106 | 582,418 |
| - | - | - | 880,193 | 473,966 | 969,365 |
| 62,408 | 41,651 | 7,857 | 12,708 | 65,850 | 145,377 |
| 703,755 | 692,886 | 550,732 | 326,323 | 292,456 | 310,104 |
| 39,479,747 | 38,166,940 | 41,269,352 | 44,364,645 | 49,239,856 | 54,022,958 |
| | | | | | |
| 6,925,023 | 7,007,712 | 7,623,082 | 8,405,920 | 9,396,230 | 10,677,430 |
| 12,489,688 | 13,980,047 | 14,230,747 | 15,064,971 | 17,577,736 | 18,190,153 |
| 1,282,284 | 1,144,217 | 1,170,740 | 1,124,212 | 1,109,049 | 1,270,481 |
| 1,499,966 | 1,648,373 | 1,848,617 | 1,901,138 | 2,190,086 | 3,070,133 |
| 5,058,302 | 5,197,133 | 5,469,383 | 5,860,111 | 6,408,022 | 8,359,639 |
| 8,319,958 | 13,585,375 | 8,762,342 | 5,167,717 | 5,047,777 | 3,493,929 |
| 3,717,780 | 3,994,879 | 4,320,000 | 4,695,000 | 5,000,000 | 5,060,000 |
| 4,700,789 | 4,358,181 | 4,191,706 | 3,707,211 | 3,170,926 | 3,181,314 |
| 108,445 | 87,845 | - | 244,695 | 323,391 | - |
| 44,102,235 | 51,003,762 | 47,616,617 | 46,170,975 | 50,223,217 | 53,303,079 |
| | | | | | |
| (4,622,488) | (12,836,822) | (6,347,265) | (1,806,330) | (983,361) | 719,879 |
| | | | | | |
| 4,455,397 | 3,696,525 | 5,411,900 | 3,594,899 | 3,738,641 | 3,477,861 |
| (2,778,400) | (3,036,229) | (3,628,021) | (1,633,000) | (1,785,791) | (1,365,000) |
| 8,210,000 | 7,400,000 | - | 21,240,000 | 30,110,000 | - |
| 486,870 | 374,207 | - | 3,128,967 | 5,833,412 | - |
| - | - | - | - | - | - |
| (6,980,670) | (7,839,529) | - | (24,376,415) | (36,041,783) | - |
| 326,580 | - | - | - | - | 1,130,553 |
| 438,621 | - | - | - | - | 86,034 |
| - | - | - | - | 2,110,037 | 1,444,899 |
| 1,107,001 | - | - | - | - | - |
| - | 8,317 | 99,744 | 482,956 | 170,810 | - |
| 5,265,399 | 603,291 | 1,883,623 | 2,437,407 | 4,135,326 | 4,774,347 |
| $ 642,911 | $ (12,233,531) | $ (4,463,642) | $ 631,077 | $ 3,151,965 | $ 5,494,226 |
| | | | | | |
| 23.5% | 22.3% | 22.7% | 21.1% | 18.7% | 17.7% |

**CITY OF WYLIE, TEXAS** **TABLE 6**
**TAX REVENUES BY SOURCE, GOVERNMENTAL FUNDS**
**LAST TEN FISCAL YEARS (UNAUDITED)**

| Fiscal Year | Ad Valorem Taxes | Sales Taxes | Franchise Taxes | Total |
|---|---|---|---|---|
| 2008 | 15,530,285 | 3,892,994 | 2,045,205 | 21,468,484 |
| 2009 | 20,310,022 | 3,933,650 | 2,136,664 | 26,380,336 |
| 2010 | 20,649,075 | 4,086,686 | 2,060,000 | 26,795,761 |
| 2011 | 20,746,031 | 4,632,860 | 2,280,283 | 27,659,174 |
| 2012 | 21,232,323 | 4,879,854 | 2,475,389 | 28,587,566 |
| 2013 | 21,232,219 | 5,635,492 | 2,324,149 | 29,191,860 |
| 2014 | 22,539,230 | 5,872,316 | 2,579,004 | 30,990,550 |
| 2015 | 24,515,600 | 6,663,646 | 2,595,964 | 33,775,210 |
| 2016 | 27,127,964 | 7,555,687 | 2,666,356 | 37,350,007 |
| 2017 | 30,062,648 | 7,993,453 | 2,686,550 | 40,742,651 |
| Percent Change | $ 14,532,363 | $ 4,100,459 | $ 641,345 | $ 19,274,167 |
| 2008-2017 | 93.6% | 105.3% | 31.4% | 89.8% |



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**TABLE 7**

## CITY OF WYLIE, TEXAS
## ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
## LAST TEN FISCAL YEARS (UNAUDITED)

| Fiscal Year | Residential Property | Commercial Property | Industrial Property | Less: Tax-Exempt Property | Total Taxable Assessed Value | Total Direct Tax Rate |
|---|---|---|---|---|---|---|
| 2008 | 1,764,303,848 | 288,951,716 | 146,785,364 | 89,947,174 | 2,110,093,754 | 0.7333 |
| 2009 | 1,851,412,088 | 320,559,885 | 154,813,362 | 94,519,658 | 2,232,265,677 | 0.8989 |
| 2010 | 1,681,490,233 | 317,876,320 | 159,911,022 | 98,352,452 | 2,060,925,123 | 0.8989 |
| 2011 | 1,849,191,950 | 350,209,595 | 121,853,139 | 98,637,590 | 2,222,617,094 | 0.8989 |
| 2012 | 1,878,899,878 | 301,701,482 | 109,890,564 | 94,582,252 | 2,195,909,672 | 0.8989 |
| 2013 | 1,906,900,883 | 362,556,519 | 112,905,366 | 111,897,168 | 2,270,465,600 | 0.8889 |
| 2014 | 2,029,810,891 | 385,941,414 | 120,187,762 | 119,114,535 | 2,416,825,532 | 0.8839 |
| 2015 | 2,159,677,849 | 456,585,488 | 120,520,310 | 118,002,192 | 2,618,781,455 | 0.8789 |
| 2016 | 2,403,735,226 | 493,073,892 | 184,902,709 | 160,657,963 | 2,921,053,864 | 0.8689 |
| 2017 | 2,796,346,833 | 524,315,031 | 174,771,677 | 169,870,475 | 3,325,563,066 | 0.8489 |

Source: Central Appraisal District of Collin County web site (www.collincad.org)

## CITY OF WYLIE, TEXAS
## DIRECT AND OVERLAPPING PROPERTY TAX RATES
## LAST TEN FISCAL YEARS (UNAUDITED)

**TABLE 8**

| | City Direct Rates | | | Overlapping Rates | | | | |
|---|---|---|---|---|---|---|---|---|
| Fiscal Year | Basic Rate | General Obligation Debt Service | Total Direct Rate | Wylie Independent School District | Community Independent School District | Collin County | Collin County Community College District | Total Direct & Overlapping Rates |
| 2008 | 0.561950 | 0.171300 | 0.733250 | 1.3900 | 1.4950 | 0.2425 | 0.0877 | 3.9485 |
| 2009 | 0.561950 | 0.336950 | 0.898900 | 1.5100 | 1.4950 | 0.2425 | 0.0865 | 4.2329 |
| 2010 | 0.550220 | 0.348680 | 0.898900 | 1.5100 | 1.4950 | 0.2425 | 0.0865 | 4.2329 |
| 2011 | 0.600850 | 0.298050 | 0.898900 | 1.6400 | 1.4950 | 0.2425 | 0.0863 | 4.3627 |
| 2012 | 0.600153 | 0.298747 | 0.898900 | 1.6400 | 1.4950 | 0.2400 | 0.0863 | 4.3602 |
| 2013 | 0.590620 | 0.298280 | 0.888900 | 1.6400 | 1.4950 | 0.2400 | 0.0863 | 4.3502 |
| 2014 | 0.593314 | 0.290586 | 0.883900 | 1.6400 | 1.6250 | 0.2375 | 0.0836 | 4.4700 |
| 2015 | 0.597978 | 0.280922 | 0.878900 | 1.6400 | 1.6150 | 0.2350 | 0.0820 | 4.4509 |
| 2016 | 0.611583 | 0.257317 | 0.868900 | 1.6400 | 1.6250 | 0.2250 | 0.0820 | 4.4409 |
| 2017 | 0.623399 | 0.225501 | 0.848900 | 1.6400 | 1.6250 | 0.2084 | 0.0812 | 4.4035 |

(1) Source: Central appraisal District of Colling County web site (www.collincad.org).

(2) Although the Community Independent School District is included in the above presentation, less than one percent of the City of Wylie lies within this taxing jurisdiction.

(3) Basis for property tax rate is per $100 of taxable valuation.

**CITY OF WYLIE, TEXAS** **TABLE 9**
**PRINCIPAL PROPERTY TAX PAYERS**
**CURRENT YEAR AND TEN YEARS AGO (UNAUDITED)**

| | 2017 | | | 2007 | | |
|---|---|---|---|---|---|---|
| Taxpayer | Taxable Assessed Value | Rank | Percentage of Total City Taxable Assessed Value | Taxable Assessed Value | Rank | Percentage of Total City Taxable Assessed Value |
| Sanden International | $ 39,589,506 | 1 | 1.19% | $ 51,211,428 | 1 | 2.96% |
| Hayden Wylie LLC | 36,521,000 | 2 | 1.10% | - | | |
| Woodbridge Crossing LP | 35,182,063 | 3 | 1.06% | - | | |
| Creekside South Apartments LLC | 30,547,619 | 4 | 0.92% | - | | |
| Western Rim Investors 2014-3 LP | 27,425,000 | 5 | 0.82% | - | | |
| Oncor Electric Delivery Company | 17,291,017 | 6 | 0.52% | - | | |
| Kansas City Southern Railway Co. | 15,945,388 | 7 | 0.48% | - | | |
| Atlas River Oaks LLC | 15,633,925 | 8 | 0.47% | - | | |
| Sanden International (USA) Inc. | 15,496,568 | 9 | 0.47% | 16,400,000 | 2 | 0.95% |
| Wal-Mart Real Estate Business TR | 15,211,230 | 10 | 0.46% | 13,762,930 | 4 | 0.80% |
| Target Corporation | 14,098,120 | 11 | 0.42% | - | | |
| Yes Companies LLC | 14,056,580 | 12 | 0.42% | - | | |
| Kroger Texas LP | 13,572,373 | 13 | 0.41% | - | | |
| Holland Hitch of Tx Inc. | 12,152,335 | 14 | 0.37% | 11,157,813 | 9 | 0.64% |
| Ascend Custom Extrusions LLC | 11,875,541 | 15 | 0.36% | - | | |
| Best Circuit Boards Inc. | 10,460,894 | 16 | 0.31% | 9,176,024 | 10 | 0.53% |
| PM Wylie Mob LP | 10,341,373 | 17 | 0.31% | - | | |
| Frontier Communications | 10,288,751 | 18 | 0.31% | - | | |
| CSD Woodbridge LLC | 10,185,335 | 19 | 0.31% | - | | |
| Carlisle Coating & Waterproofing Inc. | 10,086,699 | 20 | 0.30% | 4,841,063 | 20 | 0.28% |
| Total | $ 365,961,317 | | 11.01% | $ 106,549,258 | | 6.16% |

(1) Source: Central Appraisal District of Collin County.



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**CITY OF WYLIE, TEXAS** **TABLE 10**
**PROPERTY TAX LEVIES AND COLLECTIONS**
**LAST TEN FISCAL YEARS (UNAUDITED)**

| Fiscal Year Ended September 30 | Taxes Levied for the Fiscal Year | Collected Within the Fiscal Year of the Levy | | Collections in Subsequent Years | Total Collections to Date | |
|---|---|---|---|---|---|---|
| | | Amount | Percentage of Levy | | Amount | Percentage of Levy |
| 2008 | 15,262,086 | 15,241,892 | 99.87% | 1 | 15,241,893 | 99.87% |
| 2009 | 20,125,509 | 19,783,368 | 98.30% | 120,195 | 19,903,563 | 98.90% |
| 2010 | 20,597,372 | 20,304,072 | 98.58% | 168,467 | 20,472,539 | 99.39% |
| 2011 | 20,462,978 | 19,981,812 | 97.65% | 103,598 | 20,085,410 | 98.15% |
| 2012 | 21,106,909 | 20,997,467 | 99.48% | 111,418 | 21,108,885 | 100.00% |
| 2013 | 21,102,465 | 20,919,197 | 99.13% | 181,943 | 21,101,140 | 99.99% |
| 2014 | 22,501,648 | 22,192,325 | 98.63% | 222,173 | 22,414,498 | 99.61% |
| 2015 | 24,313,312 | 24,045,424 | 98.90% | 323,627 | 24,369,051 | 100.00% |
| 2016 | 26,864,127 | 26,549,430 | 98.83% | 403,692 | 26,953,122 | 100.00% |
| 2017 | 29,991,374 | 29,659,723 | 98.89% | 250,376 | 29,910,099 | 99.73% |

**CITY OF WYLIE, TEXAS** **TABLE 11**
**DIRECT AND OVERLAPPING SALES TAX REVENUE**
**LAST TEN FISCAL YEARS (UNAUDITED)**

| Fiscal Year | City Direct Rate | Wylie Economic Development Corporation | Collin County |
|---|---|---|---|
| 2008 | 1.50% | 0.50% | 0.00% |
| 2009 | 1.50% | 0.50% | 0.00% |
| 2010 | 1.50% | 0.50% | 0.00% |
| 2011 | 1.50% | 0.50% | 0.00% |
| 2012 | 1.50% | 0.50% | 0.00% |
| 2013 | 1.50% | 0.50% | 0.00% |
| 2014 | 1.50% | 0.50% | 0.00% |
| 2015 | 1.50% | 0.50% | 0.00% |
| 2016 | 1.50% | 0.50% | 0.00% |
| 2017 | 1.50% | 0.50% | 0.00% |

Note: The City sales tax rate includes the City sales tax rate of one percent and the blended component unit rate of one-half percent

**CITY OF WYLIE, TEXAS**
**TAXABLE SALES BY CATEGORY**
**LAST TEN CALENDAR YEARS (UNAUDITED)**

| | 2008 | 2009 | 2010 | 2011 |
|---|---|---|---|---|
| Construction | $ 262,065 | $ 245,608 | $ 254,197 | $ 287,852 |
| Manufacturing | 39,580 | 167,054 | 172,896 | 195,787 |
| Transportation, Communications | 502,877 | 449,408 | 465,124 | 536,599 |
| Wholesale Trade | 216,300 | 82,703 | 85,595 | 96,790 |
| Retail Trade | 1,591,815 | 1,980,495 | 2,049,752 | 2,392,594 |
| Other | 2,698,777 | 2,268,075 | 2,347,389 | 2,583,979 |
| Total | $5,311,414 | $5,193,343 | $5,374,953 | $6,093,601 |

Note: Due to confidentiality issues, the names of the ten largest revenue payers are not available. The categories presented are intended to provide alternative information regarding the sources of revenue. The tax liability includes the City sales tax rate of one percent and the blended component unit rate of one-half percent.

**TABLE 12**

| 2012 | 2013 | 2014 | 2015 | 2016 | 2017 |
|---|---|---|---|---|---|
| $ 303,295 | $ 350,351 | $ 497,754 | $ 479,336 | $ 536,173 | $ 452,735 |
| 206,291 | 238,297 | 101,808 | 80,028 | 103,575 | 96,116 |
| 565,387 | 653,107 | 291,838 | 179,077 | 212,058 | 212,407 |
| 101,983 | 117,806 | 100,203 | 166,717 | 168,752 | 361,554 |
| 2,520,955 | 2,912,081 | 3,303,378 | 3,633,909 | 4,169,961 | 4,560,251 |
| 2,722,608 | 3,145,043 | 3,435,545 | 4,228,072 | 4,736,506 | 4,826,441 |
| $ 6,420,519 | $ 7,416,685 | $ 7,730,526 | $ 8,767,139 | $ 9,927,025 | $ 10,509,504 |

**CITY OF WYLIE, TEXAS**
**RATIOS OF OUTSTANDING DEBT BY TYPE**
**LAST TEN FISCAL YEARS (UNAUDITED)**

| | General Bonded Debt | | |
|---|---|---|---|
| Fiscal Year | General Obligation Bonds | Combination Tax/Revenue Bonds | Certificates of Obligation |
| 2008 | 89,883,965 | 22,560,000 | - |
| 2009 | 87,287,620 | 21,855,000 | - |
| 2010 | 85,875,399 | 21,623,058 | - |
| 2011 | 83,523,270 | 20,781,749 | - |
| 2012 | 83,657,687 | 18,318,294 | - |
| 2013 | 81,432,742 | 13,673,829 | - |
| 2014 | 78,121,976 | 12,789,364 | - |
| 2015 | 75,375,018 | 11,864,899 | - |
| 2016 | 83,016,024 | 1,925,435 | - |
| 2017 | 78,187,253 | 1,233,553 | - |

| | | Business-type Activities | |
|---|---|---|---|
| Fiscal Year | General Obligation Bonds | Water Revenue Bonds | Combination Tax/Revenue Bonds |
| 2008 | 2,391,234 | 3,125,000 | 7,550,000 |
| 2009 | 2,047,381 | 2,940,000 | 7,280,000 |
| 2010 | 4,148,252 | - | 6,929,207 |
| 2011 | 3,671,990 | - | 6,643,497 |
| 2012 | 3,538,120 | - | 6,342,787 |
| 2013 | 3,021,394 | - | 6,032,077 |
| 2014 | 2,329,667 | - | 5,706,367 |
| 2015 | 1,622,945 | - | 5,365,657 |
| 2016 | 6,025,224 | - | 324,947 |
| 2017 | 5,816,174 | - | 7,134,237 |

(1) Details regarding the City's outstanding debt can be found in the notes to the financial statements.

(2) See the Demographic and Economic Statistics table on page 115 for population data.

**TABLE 13**

| Other Governmental Activities Debt | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| General Obligation Bonds | Tax Revenue Bonds | Contractual Obligations | Loans and Obligation | Capital Leases | Contractual Obligations | Capital Leases | Total Primary Government (1) | Percentage of Personal Income | Per Capita (2) |
| - | 945,000 | 1,286,832 | - | - | 930,964 | - | 128,672,995 | 10.24% | 3,354 |
| - | 850,000 | 1,055,074 | - | - | 844,002 | - | 124,159,077 | 9.51% | 3,242 |
| - | 750,000 | 879,457 | - | 71,677 | 729,665 | - | 121,006,715 | 10.16% | 3,103 |
| - | 645,000 | 784,353 | - | 36,499 | 610,067 | - | 116,696,425 | 9.09% | 2,817 |
| - | 530,000 | 1,637,504 | 404,547 | 240,806 | 130,861 | - | 114,800,606 | 8.69% | 2,682 |
| 3,602,546 | 410,000 | 1,507,760 | 298,867 | 152,414 | - | - | 110,131,629 | 8.16% | 2,533 |
| 3,588,513 | 280,000 | 1,447,896 | 189,938 | 61,324 | - | - | 104,515,045 | 7.37% | 2,371 |
| 3,539,481 | 145,000 | 1,388,031 | 77,660 | 25,336 | - | - | 99,404,027 | 6.61% | 2,162 |
| 3,223,125 | - | 1,323,166 | - | - | - | - | 95,837,921 | 6.13% | 2,027 |
| 2,911,894 | - | 1,258,333 | - | 892,734 | - | - | 97,434,178 | 6.08% | 2,039 |

**CITY OF WYLIE, TEXAS** **TABLE 14**
**RATIOS OF GENERAL BONDED DEBT OUTSTANDING**
**LAST TEN FISCAL YEARS (UNAUDITED)**

| Fiscal Year | General Bonded Debt Outstanding: General Obligation Bonds | Less: Restricted for Debt Service | Net Bonded Debt | Percentage Actual Taxable Value of Property | Per Capita |
|---|---|---|---|---|---|
| 2008 | $ 92,275,199 | $ 322,849 | $ 91,952,350 | 4.36% | 2,397 |
| 2009 | 89,335,001 | 322,849 | 89,012,152 | 3.99% | 2,324 |
| 2010 | 90,023,651 | 157,135 | 89,866,516 | 4.36% | 2,304 |
| 2011 | 87,195,260 | 290,576 | 86,904,684 | 3.91% | 2,098 |
| 2012 | 87,195,807 | 403,355 | 86,792,452 | 3.95% | 2,062 |
| 2013 | 88,056,682 | 379,477 | 87,677,205 | 3.86% | 2,016 |
| 2014 | 84,040,156 | 281,183 | 83,758,973 | 3.47% | 1,900 |
| 2015 | 80,537,444 | 470,789 | 80,066,655 | 3.06% | 1,742 |
| 2016 | 92,264,373 | 675,565 | 91,588,808 | 3.14% | 1,937 |
| 2017 | 86,915,321 | 820,559 | 86,094,762 | 2.59% | 1,802 |

**CITY OF WYLIE, TEXAS** **TABLE 15**
**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT**
**(UNAUDITED)**

| Governmental Unit (3) | | Debt Outstanding | | (4) Estimated Percentage Applicable | Estimated Share of Direct and Overlapping Debt |
|---|---|---|---|---|---|
| Debt Repaid with Property Taxes | | | | | |
| Wylie Independent School District | | $ 283,132,271 | (1) | 65.74% | $ 186,131,155 |
| Community Independent School District | | 352,380,000 | (1) | 3.08% | 10,853,304 |
| Collin County | | 14,590,000 | (1) | 3.08% | 449,372 |
| Collin County Community College District | | 23,619,000 | (1) | 0.60% | 141,714 |
| Princeton Independent School District | | 137,205,641 | (1) | 0.81% | 1,111,366 |
| Rockwall County | | 105,405,000 | (1) | 0.59% | 621,890 |
| Subtotal, Overlapping Debt | | | | | 199,308,801 |
| City Direct Debt | (2) | | | | 84,483,767 |
| Total Direct and Overlapping Debt | | | | | $ 283,792,568 |
| Ratio of Direct and Overlapping Bonded Debt to Taxable Assessed Valuation | | | | | 8.53% |
| Per Capita Direct and Overlapping Debt | | | | | $ 5,940 |

(1) Source: Municipal Advisory Council of Texas

(2) Excludes business-type activities debt

(3) Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Wylie, Texas. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

(4) The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the various governments' taxable assessed value that is within the government's boundaries and dividing it by the total taxable assessed value.

**CITY OF WYLIE, TEXAS**
**LEGAL DEBT MARGIN INFORMATION**
**LAST TEN FISCAL YEARS (UNAUDITED)**

| | 2008 | 2009 | 2010 | 2011 |
|---|---|---|---|---|
| Debt Limit | $ 202,476,899 | $ 218,423,524 | $ 222,261,709 | $ 219,590,967 |
| Total Net Debt Applicable to Limit | 87,287,620 | 80,909,003 | 79,445,195 | 76,951,261 |
| Legal Debt Margin | 115,189,279 | 137,514,521 | 142,816,514 | 142,639,706 |
| Total Net Debt Applicable to the Limit As a percentage of Debt Limit | 43.11% | 37.04% | 35.74% | 35.04% |

Legal Debt Margin Calculation for the Current Fiscal Year

| | |
|---|---|
| Assessed Value | $ 3,325,563,066 |
| Debt Limit (10%) of Assessed Value) | 332,556,307 |
| Debt Applicable to Limit: | |
| General Obligation Bonds | 81,099,147 |
| Less: Amount Set Aside for Repayment of General Obligation Debt | (7,101,613) |
| Total Net Debt applicable to Limit | 73,997,534 |
| Legal Debt Margin | $ 258,558,773 |

(1) Under state law, the City of Wylie, Texas' outstanding general obligation debt should not exceed ten percent of total assessed property value. By law, the general obligation debt subject to the limitation may be offset by the amount set aside for repaying general obligation bonds.

**TABLE 16**

| 2012 | 2013 | 2014 | 2015 | 2016 | 2017 |
|---|---|---|---|---|---|
| $ 223,569,649 | $ 227,046,560 | $ 241,682,553 | $261,878,146 | $292,105,386 | $ 332,556,307 |
| 76,559,220 | 77,384,144 | 75,018,154 | 72,168,010 | 79,238,061 | 73,997,534 |
| 147,010,429 | 149,662,416 | 166,664,399 | 189,710,136 | 212,867,325 | 258,558,773 |
| 34.24% | 34.08% | 31.04% | 27.56% | 27.13% | 22.25% |

**CITY OF WYLIE, TEXAS** **TABLE 17**
**PLEDGED-REVENUE COVERAGE**
**LAST TEN FISCAL YEARS (UNAUDITED)**

| Fiscal Year | Water Revenue Bonds: Utility Service Charges (1) | Less: Operating Expenses (2) | Net Available Revenue | Debt Service (3): Principal | Debt Service (3): Interest | Total | Coverage |
|---|---|---|---|---|---|---|---|
| 2008 | $ 9,508,602 | $ 8,217,466 | $ 1,291,136 | $ 175,000 | $ 712,223 | $ 887,223 | 1.46 |
| 2009 | 10,172,309 | 9,755,859 | 416,450 | 185,000 | 582,293 | 767,293 | 0.54 |
| 2010 | 11,088,925 | 8,588,542 | 2,500,383 | 195,000 | 534,756 | 729,756 | 3.43 |
| 2011 | 12,580,923 | 8,713,780 | 3,867,143 | 290,000 | 420,927 | 710,927 | 5.44 |
| 2012 | 12,234,313 | 9,019,247 | 3,215,066 | 315,000 | 261,875 | 576,875 | 5.57 |
| 2013 | 13,108,252 | 9,609,828 | 3,498,424 | 330,000 | 248,975 | 578,975 | 6.04 |
| 2014 | 13,767,869 | 10,395,146 | 3,372,723 | 345,000 | 235,475 | 580,475 | 5.81 |
| 2015 | 15,473,529 | 10,531,564 | 4,941,965 | 355,000 | 221,475 | 576,475 | 8.57 |
| 2016 | 15,997,794 | 11,849,326 | 4,148,468 | 370,000 | 211,638 | 581,638 | 7.13 |
| 2017 | 18,169,571 | 12,832,323 | 5,337,248 | - | 285,282 | 285,282 | 18.71 |

(1) Includes total operating revenue of the Utility Enterprise Fund
(2) Includes operating expenses of the Utility Enterprise Fund, less depreciation expense.
(3) Debt service requirements includes principal and interest payments on revenue bonds.

CITY OF WYLIE
GULF, COLORADO &
SANTA FE RAILWAY
1887
STATE OF TEXAS

## CITY OF WYLIE, TEXAS
## DEMOGRAPHIC AND ECONOMIC STATISTICS
## LAST TEN FISCAL YEARS (UNAUDITED)

| | 2008 | 2009 | 2010 | 2011 |
|---|---|---|---|---|
| Population (1) | 38,360 | 38,300 | 39,000 | 41,427 |
| Personal Income (in thousands of dollars) | $1,257,096 | $1,305,334 | $1,190,826 | $1,283,533 |
| Per Capita Personal Income | $ 32,771 | $ 34,082 | $ 30,534 | $ 30,983 |
| Median Age | 32.3 | 33.7 | 34.3 | 32.3 |
| Education Level in Years of Schooling (2) | | | | |
| Less than high school graduate | 14.2% | 14.2% | 14.2% | 16.1% |
| High school graduate (or equivalent) | 26.6% | 26.6% | 26.6% | 23.5% |
| Some college/associate's degree | 37.4% | 37.4% | 37.4% | 28.5% |
| Bachelor's degree | 17.0% | 17.0% | 17.0% | 24.5% |
| Masters, professional, or doctorate | 4.8% | 4.8% | 4.8% | 6.7% |
| School Enrollment | 11,369 | 11,349 | 11,970 | 12,549 |
| Unemployment (3) | 5.2% | 8.3% | 7.2% | 7.9% |

(1) Population estimate from North Central Texas Council of Governments, as modified by City staff estimates.

(2) Education per the 2010 U.S. Census.

(3) Unemployment rates from the Texas Workforce Commission website (www.twc.state.tx.us).

**TABLE 18**

| 2012 | 2013 | 2014 | 2015 | 2016 | 2017 |
|---|---|---|---|---|---|
| 42,804 | 43,484 | 44,089 | 45,970 | 47,274 | 47,776 |
| $1,320,375 | $1,349,874 | $1,417,550 | $1,504,632 | $1,562,799 | $1,603,072 |
| $ 30,847 | $ 31,043 | $ 32,152 | $ 32,731 | $ 33,058 | $ 33,554 |
| 32.3 | 31.7 | 31.7 | 31.7 | 31.7 | 31.7 |
| 16.1% | 16.1% | 16.1% | 16.1% | 16.1% | 16.1% |
| 23.5% | 23.5% | 23.5% | 23.5% | 23.5% | 23.5% |
| 28.5% | 28.5% | 28.5% | 28.5% | 28.5% | 28.5% |
| 24.5% | 24.5% | 24.5% | 24.5% | 24.5% | 24.5% |
| 6.7% | 6.7% | 6.7% | 6.7% | 6.7% | 6.7% |
| 12,913 | 13,305 | 13,673 | 14,557 | 15,023 | 15,709 |
| 6.8% | 5.8% | 4.6% | 4.1% | 3.2% | 3.4% |

**CITY OF WYLIE, TEXAS** **TABLE 19**
**PRINCIPAL EMPLOYERS**
**CURRENT YEAR AND NINE YEARS AGO (UNAUDITED)**

| | 2017 | | | 2008 | | |
|---|---|---|---|---|---|---|
| Employer | Employees | Rank | Percentage of Total City Employment | Employees | Rank | Percentage of Total City Employment |
| Wylie ISD | 2,122 | 1 | 21.45% | 1,581 | 1 | 21.15% |
| North Texas Municipal Water Dist | 756 | 2 | 7.64% | 465 | 3 | 6.22% |
| Sanden Intl. (USA), Inc. | 483 | 3 | 4.88% | 670 | 2 | 8.96% |
| City of Wylie | 408 | 4 | 4.12% | 231 | 6 | 3.09% |
| Wal-Mart | 343 | 5 | 3.47% | 360 | 5 | 4.82% |
| SAF Holland | 224 | 6 | 2.26% | 142 | 9 | 1.90% |
| Kroger | 210 | 7 | 2.12% | - | - | 0.00% |
| Extruders / Tower Extrusion | 198 | 8 | 2.00% | 400 | 4 | 5.35% |
| Ascend Custom Extrusion | 190 | 9 | 1.92% | - | - | 0.00% |
| Target | 170 | 10 | 1.72% | - | - | 0.00% |
| Total | 5,104 | | 51.58% | 3,849 | | 51.49% |

Source: Wylie Economic Development Corporation

**CITY OF WYLIE, TEXAS** **TABLE 20**
**FULL-TIME EQUIVALENT EMPLOYEES BY FUNCTION/PROGRAM**
**LAST TEN FISCAL YEARS (UNAUDITED)**

| | Full-Time Equivalent Employees as of Year End | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 |
| Function/Program | | | | | | | | | | |
| General Government | | | | | | | | | | |
| Management Services | 12 | 13 | 13 | 13 | 13 | 13 | 13 | 14 | 14 | 15 |
| Finance | 5 | 5 | 5 | 5 | 8 | 9 | 9 | 9 | 9 | 9 |
| Development Services | - | - | - | - | - | - | - | - | - | - |
| Planning | 4 | 4 | 4 | 4 | 5 | 5 | 5 | 5 | 6 | 6 |
| Building | 9 | 9 | 8 | 8 | 8 | 8 | 6 | 6 | 6 | 6 |
| Other | 5 | 6 | 7 | 7 | 7 | 7 | 7 | 6 | 7 | 8 |
| Police | | | | | | | | | | |
| Officers | 43 | 47 | 49 | 49 | 48 | 48 | 49 | 55 | 63 | 63 |
| Civilian | 7 | 7 | 5 | 5 | 7 | 7 | 8 | 8 | 8 | 9 |
| Fire | | | | | | | | | | |
| Firefighters and Officers | 36 | 42 | 41 | 41 | 44 | 47 | 45 | 45 | 49 | 52 |
| Civilians | 2 | 2 | 2 | 2 | 3 | 3 | 3 | 3 | 3 | 3 |
| Animal Control | 4 | 4 | 4 | 4 | 4 | 5 | 6 | 7 | 7 | 7 |
| Dispatch | 12 | 12 | 12 | 12 | 11 | 11 | 10 | 11 | 12 | 13 |
| Streets | 11 | 11 | 11 | 11 | 11 | 11 | 11 | 13 | 16 | 17 |
| Other Public Works | | | | | | | | | | |
| Engineering | 4 | 4 | 4 | 4 | 3 | 3 | 3 | 3 | 3 | 3 |
| Other | 13 | 13 | 13 | 13 | 11 | 11 | 11 | 11 | 11 | 11 |
| Parks and Recreation | 23 | 24 | 27 | 29 | 38 | 38 | 43 | 44 | 48 | 49 |
| Library | 8 | 9 | 12 | 12 | 21 | 21 | 22 | 24 | 24 | 25 |
| Water | 11 | 11 | 11 | 11 | 11 | 15 | 15 | 15 | 15 | 19 |
| Wastewater | 5 | 5 | 5 | 5 | 5 | 6 | 6 | 6 | 6 | 6 |
| EDC | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 3 | 3 |
| Total | 216 | 230 | 235 | 237 | 260 | 270 | 274 | 287 | 310 | 324 |

Source: City of Wylie annual budget book

## CITY OF WYLIE, TEXAS
## OPERATING INDICATORS BY FUNCTION/PROGRAM
## LAST TEN FISCAL YEARS (UNAUDITED)

| Function/Program | 2008 | 2009 | 2010 | 2011 |
|---|---|---|---|---|
| General Government | | | | |
| Building Permits Issued | 500 | 253 | 291 | 241 |
| Building Permits Value (thousands) | $ 102,151 | $ 150,000 | $ 254,669 | $ 210,487 |
| Police | | | | |
| Physical Arrests | 1,280 | 1,215 | 1,121 | 1,197 |
| Violations Issued | 4,917 | 3,492 | 3,555 | 2,479 |
| Warrants Issued | 1,235 | 575 | 841 | 636 |
| Fire | | | | |
| Emergency Responses | 2,607 | 2,723 | 2,960 | 2,871 |
| Fires Extinguished | 126 | 78 | 71 | 69 |
| Inspections | 1,275 | 905 | 1,111 | 1,078 |
| Other Public Works | | | | |
| Street Resurfacing (miles) | 4 | 2 | 2 | 1 |
| Potholes Repaired | 50 | 50 | 50 | 221 |
| Parks and Recreation | | | | |
| Athletic Field Permits Issued | - | 106 | 220 | 213 |
| Recreation Center Admissions | 14,273 | 14,987 | 14,451 | 14,451 |
| Baseball/Softball Fields | 10 | 18 | 18 | 18 |
| Soccer/Football Fields | 16 | 20 | 20 | 20 |
| Library | | | | |
| Volumes in Collection | 47,708 | 47,507 | 47,417 | 47,417 |
| Water | | | | |
| New Connections | 240 | 104 | 104 | 269 |
| Water Main Breaks | 18 | 19 | 19 | 13 |
| Average Daily Consumption (gallons) | 3,682,780 | 3,760,000 | 4,007,763 | 4,600,000 |

Source: City Departments

**TABLE 21**

| 2012 | 2013 | 2014 | 2015 | 2016 | 2017 |
|---|---|---|---|---|---|
| 211 | 279 | 298 | 484 | 433 | 667 |
| $ 224,244 | $ 71,009 | $ 113,783 | $ 106,488 | $ 107,516 | $ 201,540 |
| 1,281 | 1,354 | 794 | 973 | 1,385 | 1,026 |
| 2,653 | 2,473 | 2,435 | 2,691 | 4,188 | 4,228 |
| 681 | 874 | 808 | 919 | 701 | 1,492 |
| 2,771 | 3,456 | 3,527 | 4,168 | 4,311 | 4,478 |
| 66 | 84 | 49 | 62 | 89 | 168 |
| 1,083 | 1,251 | 2,380 | 1,980 | 2,039 | 2,150 |
| 2 | 3 | 3 | 2 | 4 | 5 |
| 137 | 5 | 28 | 18 | 43 | 44 |
| 208 | 216 | 113 | 28 | 28 | 63 |
| 247,146 | 266,834 | 267,066 | 286,357 | 328,495 | 367,665 |
| 18 | 24 | 24 | 26 | 26 | 26 |
| 20 | 20 | 20 | 20 | 21 | 21 |
| 49,153 | 94,868 | 99,744 | 103,544 | 109,392 | 114,715 |
| 248 | 248 | 125 | 1,240 | 1,219 | 1,475 |
| 9 | 18 | 7 | 3 | 4 | - |
| 4,647,781 | 4,005,371 | 3,106,694 | 3,625,151 | 3,719,076 | 3,543,448 |

## CITY OF WYLIE, TEXAS
## CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
## LAST TEN FISCAL YEARS (UNAUDITED)

**TABLE 22**

| Function/Program | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 |
|---|---|---|---|---|---|---|---|---|---|---|
| Police Stations | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Fire Stations | 2 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Other Public Works | | | | | | | | | | |
| Streets (miles) | 135 | 136 | 136 | 187 | 194 | 194 | 194 | 200 | 205 | 212 |
| Alleys (miles) | 13 | 13 | 13 | 40 | 41 | 41 | 41 | 42 | 42 | 42 |
| Traffic Signals | 11 | 14 | 14 | 14 | 14 | 14 | 17 | 21 | 24 | 25 |
| Parks and Recreation | | | | | | | | | | |
| Acreage | 632 | 672 | 668 | 668 | 668 | 668 | 877 | 886 | 886 | 916 |
| Playgrounds | 11 | 12 | 12 | 12 | 12 | 14 | 14 | 15 | 17 | 18 |
| Recreation Facilities | 1 | 1 | 1 | 1 | 2 | 2 | 3 | 4 | 4 | 4 |
| Water | | | | | | | | | | |
| Water Mains (miles) | 119 | 119 | 119 | 145 | 157 | 157 | 157 | 157 | 158 | 161 |
| Fire Hydrants | 1,464 | 1,500 | 1,500 | 1,500 | 1,500 | 1,554 | 1,608 | 1,690 | 1,707 | 1,789 |
| Number of service connections | 10,395 | 10,500 | 10,500 | 11,984 | 11,946 | 11,946 | 12,894 | 14,134 | 15,353 | 16,031 |
| Wastewater | | | | | | | | | | |
| Sanitary Sewers (miles) | 141 | 141 | 141 | 165 | 173 | 173 | 173 | 178 | 183 | 188 |
| Education Wylie ISD | | | | | | | | | | |
| Campuses in Wylie | 17 | 18 | 18 | 19 | 19 | 19 | 19 | 19 | 20 | 20 |

Source: City departments